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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, DC 20549

**FORM 10-K**

(Mark One)

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

For the fiscal year ended December 31, 2022

OR

**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: **001-39390**



**GoHealth, Inc.**

(Exact name of registrant as specified in its charter)

\_\_\_\_\_  
**Delaware**

(State or other jurisdiction of incorporation or organization)

**85-0563805**

(I.R.S. Employer Identification No.)

**214 West Huron St.**

**Chicago, Illinois**

(Address of principal executive offices)

**60654**

(Zip Code)

**(312) 386-8200**

(Registrant's telephone number, including area code)

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

<b>Title of each class</b>	<b>Trading Symbol(s)</b>	<b>Name of each exchange on which registered</b>
Class A Common Stock, \$0.0001 par value per share	GOCO	The Nasdaq Global Market

Securities registered pursuant to section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  No

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  No

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 for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the 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	<input type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Emerging growth company	<input type="checkbox"/>
Accelerated filer	<input type="checkbox"/>		

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.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes  No

Based on the closing price of the registrant's common stock on the last business day of the registrant's most recently completed second fiscal quarter, which was June 30, 2022, the aggregate market value of its shares (based on a closing price of \$8.97 per share) held by non-affiliates was \$48.9 million.

As of March 8, 2023, the registrant had 8,982,096 shares of Class A common stock, \$0.0001 par value per share, outstanding and 13,053,374 shares of Class B common stock, \$0.0001 par value per share, outstanding.

#### DOCUMENTS INCORPORATED BY REFERENCE

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Portions of the registrant's Definitive Proxy Statement for the 2023 Annual Meeting of Stockholders, which is expected to be filed within 120 days after the Company's fiscal year ended December 31, 2022, are incorporated by reference into Part III of this Annual Report on Form 10-K to the extent stated herein.

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<p>The report of GoHealth Inc.'s independent registered public accounting firm (PCAOB ID:42) with respect to the above-referenced financial statements are included in Item 8 of this Annual Report on Form 10-K at the page number referenced herein. Their consent appears as Exhibit 23.1 of this Annual Report on Form 10-K.</p>		
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## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains forward-looking statements. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended, (“the Securities Act”) and Section 21E of the Securities Exchange Act of 1934, as amended, (“the Exchange Act”). All statements other than statements of historical facts contained in this Annual Report on Form 10-K may be forward-looking statements. Statements regarding our future results of operations and financial position, business strategy and plans and objectives of management for future operations, including, among others, statements regarding our expected growth, future capital expenditures and debt service obligations, are forward-looking statements.

In some cases, you can identify forward-looking statements by terms, such as “may,” “will,” “should,” “aim,” “expects,” “plans,” “anticipates,” “could,” “intends,” “targets,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential,” “likely,” “future,” or “continue” or the negative of these terms or other similar expressions. The forward-looking statements in this Annual Report on Form 10-K are only predictions. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions and uncertainties that are difficult to predict. Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date made, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements.

These forward-looking statements speak only as of the date of this Annual Report on Form 10-K and are subject to a number of important factors that could cause actual results to differ materially from those in the forward-looking statements, including the factors described under the sections in this Annual Report on Form 10-K titled “Summary Risk Factors,” “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

You should read this Annual Report on Form 10-K and the documents that we reference in this Annual Report on Form 10-K completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise.

## CERTAIN DEFINITIONS

As used in this Annual Report on Form 10-K, unless the context otherwise requires:

- “We,” “us,” “our,” the “Company,” “GoHealth” and similar references refer to GoHealth, Inc., and, unless otherwise stated, all of its direct and indirect subsidiaries, including GoHealth Holdings, LLC.
- “Blocker Company” refers to an entity affiliated with Centerbridge that was an indirect owner of LLC Interests in GoHealth Holdings, LLC prior to the Transactions and is taxable as a corporation for U.S. federal income tax purposes.
- “Blocker Shareholders” refer to entities affiliated with Centerbridge, the owners of the Blocker Company prior to the Transactions, who exchanged their interests in the Blocker Company for shares of our Class A common stock and cash in connection with the consummation of the Transactions.
- “Centerbridge” refers to certain investment funds and other entities affiliated with CCP III Cayman GP Ltd., a Cayman Islands exempted company over which CCP III Cayman GP Ltd. has voting control (including any such fund or entity formed to hold shares of Class A common stock for the Blocker Shareholders).
- “Centerbridge Acquisition” or “Acquisition” refers to the acquisition, on September 13, 2019, by Centerbridge, indirectly through a subsidiary of GoHealth Holdings, LLC, an entity formed in contemplation of the acquisition, of a 100% interest in Norvax.
- “Continuing Equity Owners” refer collectively to direct or indirect holders of LLC Interests and our Class B common stock immediately following consummation of the Transactions, including Centerbridge, NVX Holdings, our Founders, the Former Profits Unit Holders and certain executive officers, employees and other minority investors and their respective permitted transferees who may, following the consummation of our IPO, exchange at each of their respective options (subject in certain circumstances to time-based vesting requirements and certain other restrictions), in whole or in part from time to time, their LLC Interests (along with an equal number of shares of Class B common stock (and such shares shall be immediately cancelled)) for, at our election (determined solely by our independent directors (within the meaning of the listing rules of The Nasdaq Global Market (the “Nasdaq rules”)) who are disinterested), cash or newly-issued shares of our Class A common stock.
- “Founders” refer to Brandon M. Cruz, our Co-Founder and Co-Chairman of the Board, and Clinton P. Jones, our Co-Founder and Co-Chairman of the Board.

- “*Former Profits Unit Holders*” refers collectively to certain of our directors and certain current and former officers and employees, in each case, who directly or indirectly held existing vested and unvested profits units, which were comprised of profits units that have time-based vesting conditions and profits units that have performance-based vesting conditions, of GoHealth Holdings, LLC pursuant to GoHealth Holdings, LLC’s existing profits unit plan and who received LLC Interests in exchange for their profits units in connection with the Transactions. LLC Interests received in exchange for unvested profits units remain subject to their existing time-based vesting requirements. Profits units with performance-based vesting conditions fully vested as such conditions were met in connection with our IPO.
- “*GoHealth Holdings, LLC Agreement*” refers to GoHealth Holdings, LLC’s amended and restated limited liability company agreement, as further amended, which became effective substantially concurrently with or prior to the consummation of our IPO.
- “*LLC Interests*” refer to the common units of GoHealth Holdings, LLC, including those that we purchased with a portion of the net proceeds from our IPO.
- “*Norvax*” or “*Predecessor*” refers to Norvax, LLC, a Delaware limited liability company and a subsidiary of GoHealth Holdings, LLC.
- “*NVX Holdings*” refers to NVX Holdings, Inc., a Delaware corporation that is controlled by the Founders.
- “*Transactions*” refer to our IPO and certain organizational transactions that were effected in connection with our IPO, and the application of the net proceeds therefrom. See Note 1, “Description of Business and Significant Accounting Policies,” to the Consolidated Financial Statements for a description of the Transactions.

GoHealth, Inc. is a holding company and the sole managing member of GoHealth Holdings, LLC, and its principal asset consists of LLC Interests.

### SUMMARY RISK FACTORS

Our business is subject to numerous risks and uncertainties, including those described in Part I, Item 1A. “Risk Factors” in this Annual Report on Form 10-K. You should carefully consider these risks and uncertainties when investing in our Class A common stock. The principal risks and uncertainties affecting our business include the following:

- The marketing and sale of Medicare plans are subject to numerous, complex and frequently changing laws, regulations and guidelines;
- Our operating results may be adversely impacted by factors that impact our estimate of LTV (as defined below);
- Our gradual expansion of the Encompass Solution may not be as successful as we expect;
- Our business may be harmed if we lose our relationships with health plan partners or if our relationships with health plan partners change;
- Health plan partners may reduce the commissions paid to us and change their underwriting practices in ways that reduce the number of, or impact the renewal or approval rates of, insurance policies sold through our platform;
- Information technology system failures could interrupt our operations;
- We may lose key employees or fail to attract qualified employees;
- We currently depend on a small group of health plan partners for a substantial portion of our revenue;
- Our failure to grow our customer base or retain our existing customers;
- We may not realize the benefits we expect from our strategic cash flow optimization and other cash management initiatives;
- Our ability to sell Medicare-related health insurance plans is largely dependent on our licensed health insurance agents;
- Operating and growing our business may require additional capital;
- The Founders and Centerbridge have significant influence over us, including control over decisions that require the approval of stockholders.

## KEY TERMS AND PERFORMANCE INDICATORS; NON-GAAP FINANCIAL MEASURES

Throughout this Annual Report on Form 10-K, we use a number of key terms and provide a number of key performance indicators used by management. We define these terms and key performance indicators as follows:

- “*Adjusted EBITDA*” represents, as applicable for the period, EBITDA as further adjusted for certain items discussed in Item 7. “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”
- “*Adjusted EBITDA Margin*” refers to Adjusted EBITDA divided by net revenues.
- “*Submission*” refers to either (i) a completed application with our licensed agent that is submitted to the health plan partner and subsequently approved by the health plan partner during the indicated period, excluding applications through our dedicated services programs where GoHealth-employed agents are dedicated to certain health plan partners and agencies we partner with or (ii) a transfer by our agent to the health plan partner through the Encompass marketplace during the indicated period.
- “*Cost of Submission*” refers to the cost to convert a prospect into a Submission. Cost of Submission is comprised of cost of revenue, marketing and advertising expenses, and customer care and enrollment expenses, excluding such expenses related to dedicated services programs where GoHealth-employed agents are dedicated to certain health plan partners and agencies we partner with.
- “*Conversion Rate*” refers to commissionable Submissions over qualified prospects.
- “*EBITDA*” represents net income (loss) before interest expense, income tax expense (benefit) and depreciation and amortization expense.
- “*Encompass Solution*” refers to the Company’s service offering which supports enrollment and engagement across the Medicare beneficiary journey and which is discussed further in Item 1. Business - Overview, below.
- “*Sales per Submission*” refers to (x) the sum of (i) aggregate commissions estimated to be collected over the estimated life of all commissionable Submissions for the relevant period based on multiple factors, including but not limited to, contracted commission rates, health plan partner mix and expected policy persistency with applied constraints, excluding revenue adjustments recorded in the period, but relating to performance obligations satisfied in prior periods, (ii) Encompass revenue, and (iii) partner marketing and enrollment services, divided by (y) the number of Submissions for such period.
- “*Sales/Cost of Submission*” refers to (x) the sum of (i) aggregate commissions estimated to be collected over the estimated life of all commissionable Submissions for the relevant period based on multiple factors, including but not limited to, contracted commission rates, health plan partner mix and expected policy persistency with applied constraints, excluding revenue adjustments recorded in the period, but relating to performance obligations satisfied in prior periods, (ii) Encompass revenue, and (iii) partner marketing and enrollment services, divided by (y) the cost to convert a prospect into a Submission (comprised of cost of revenue, marketing and advertising expenses, and customer care and enrollment expenses) for such period. Sales and Cost of Submission exclude amounts related to commissions through dedicated services programs where GoHealth-employed agents are dedicated to certain health plan partners and agencies we partner with.
- “*LTV*” refers to the Lifetime Value of Commissions, which we define as aggregate commissions estimated to be collected over the estimated life of all commissionable Submissions for the relevant period based on multiple factors, including but not limited to, contracted commission rates, health plan partner mix and expected policy persistency with applied constraints.

We use supplemental measures of our performance that are derived from our consolidated financial information, but which are not presented in our Consolidated Financial Statements prepared in accordance with U.S. generally accepted accounting principles (“GAAP”). These non-GAAP financial measures include EBITDA; Adjusted EBITDA and Adjusted EBITDA margin. Adjusted EBITDA is the primary financial performance measure used by management to evaluate its business and monitor its results of operations.

We use non-GAAP financial measures to supplement financial information presented on a GAAP basis. We believe that excluding certain items from our GAAP results allows management to better understand our consolidated financial performance from period to period and better project our future consolidated financial performance as forecasts are developed at a level of detail different from that used to prepare GAAP-based financial measures. Moreover, we believe these non-GAAP financial measures provide our stakeholders with useful information to help them evaluate our operating results by facilitating an

enhanced understanding of our operating performance and enabling them to make more meaningful period to period comparisons. There are limitations to the use of the non-GAAP financial measures presented in this Annual Report on Form 10-K. For example, our non-GAAP financial measures may not be comparable to similarly titled measures of other companies. Other companies, including companies in our industry, may calculate non-GAAP financial measures differently than we do, limiting the usefulness of those measures for comparative purposes.

The non-GAAP financial measures are not meant to be considered as indicators of performance in isolation from or as a substitute for net income (loss) prepared in accordance with GAAP and should be read only in conjunction with financial information presented on a GAAP basis. Reconciliations of each of EBITDA and Adjusted EBITDA to its most directly comparable GAAP financial measure, net income (loss), are presented in the tables below in this Annual Report on Form 10-K. We encourage you to review the reconciliations in conjunction with the presentation of the non-GAAP financial measures for each of the periods presented. In future periods, we may exclude similar items, may incur income and expenses similar to these excluded items and include other expenses, costs and non-recurring items.



## ITEM 1. BUSINESS

### Overview

We are a leading health insurance marketplace and Medicare-focused digital health company whose mission is to improve access to healthcare in America. Our proprietary technology platform leverages modern machine-learning algorithms powered by two decades of insurance behavioral data to reimagine the optimal process for helping individuals find the best health insurance plan for their specific needs. Our differentiated combination of a vertically integrated consumer acquisition platform and highly skilled and trained agents has enabled us to enroll millions of people in Medicare and individual and family plans since our inception. With a current commissionable market of nearly \$30 billion, over 10,000 Americans turning 65 years old every day and our significant presence in the Medicare space, we believe we will continue to be one of the top choices for insurance advice to help navigate one of the most important purchasing decisions individuals make.

Over the last two decades, we have consistently invested in our technology, data science and business processes to enroll people in health insurance plans while helping health plan partners scale their product and plan offerings. Our platform utilizes proprietary technology, machine-learning capabilities, data feedback, efficient business processes, and highly skilled and trained agents, to connect consumers with health plan partners through multiple channels. Through our platform, we primarily offer Medicare Advantage policies, but also offer a wide array of health insurance policies, including, but not limited to, Medicare Supplement and prescription drug plans.

For many consumers, choosing a health insurance plan is confusing and difficult, and seemingly small differences between health insurance plans can lead to significant out-of-pocket costs or lack of access to critical medicines, providers or facilities. We simplify the process by offering education, transparency and choice. This includes providing a large selection of health insurance plan choices, advice informed by consumers' specific needs, transparency of health insurance plan benefits and fit, assistance accessing available government subsidies and a high-touch TeleCare team. The TeleCare team is focused on increasing consumer engagement with the GoHealth brand and helping consumers access their health insurance plan benefits. Health plan partners also benefit from our platform, especially those looking to access the large and fast-growing Medicare-eligible population. We believe health plan partners utilize our large-scale data and technology as well as our efficient marketing and conversion processes to reduce their Cost of Submission, compared to health plan partner-employed agent workforces.

We also provide services to consumers in our Medicare segments through our Encompass Solution. The Encompass Solution offers a differentiated way for Medicare beneficiaries to navigate the complex Medicare Advantage plan selection process and begin to utilize their new plan benefits with greater confidence. By working closely with our benefit consultants and dedicated health plan enrollment specialists, individuals can better understand the plan options available and receive more detailed, plan-specific information during the enrollment process. Coupled with the execution of our new member onboarding action plans, beneficiaries who enroll through our Encompass Solution typically exhibit higher customer persistency.

Over the past two decades, we have grown significantly and expanded into new market segments of insurance products. We create significant value for both consumers and health plan partners, through our marketplace, which is evidenced by our growth and strong customer engagement dynamics. Over the last six years, we have increasingly shifted our focus towards Medicare products. This shift in focus has enabled us to capitalize on:

- Strong demographic trends, with Medicare enrollment expected to grow from approximately 63 million individuals in 2020 to approximately 93 million individuals by 2060;
- The increasing proportion of the Medicare-eligible population that is choosing commercial insurance solutions, with 48% of Medicare beneficiaries, or approximately 28.4 million people, enrolled in Medicare Advantage plans in 2022, an increase of approximately 2.2 million people from 2021 to 2022; and
- Health plan partners' historic reliance on an antiquated traditional field agent driven sales process lacking in transparency, choice and convenience and ripe for disruption by digitally-enabled and technology-driven marketplaces like our platform.

Today, we estimate a total addressable market of nearly \$30 billion for Medicare Advantage and Medicare Supplement products. We believe that these trends will drive a larger market in the coming years that, when taken together with our other product and plan offerings, will result in an even larger addressable market. We also believe that we are poised to benefit from market share gains in what has traditionally been a highly fragmented market.

### Our Business Model

#### *Our Platform*

Our platform utilizes proprietary technology, machine-learning capabilities, data, efficient business processes, and highly skilled and trained agents to generate a revenue stream that benefits from favorable demographic trends. The key components of our platform are:

- **Data-Driven, Omnichannel Marketing:** Based on predictive consumer lead targeting and a high cadence of multivariate testing on consumer lead generation properties, our data-driven, omnichannel marketing drives increased impressions and qualified prospects with a target return on marketing spend.
- **Proprietary LeadScore Technology:** LeadScore, one of our proprietary machine-learning technologies, is built on large-scale, end-to-end sales data, predicts the LTV and conversion probability of consumer leads, and is utilized to optimize routing of the consumer leads in real-time regardless of their source.
- **Sophisticated Matching Technology:** Our proprietary qualified prospect distribution, routing, and priority queuing technology based on LeadScore and agent performance data models help us to optimally match qualified prospects to those agents most likely to convert the qualified prospect to a customer.
- **The Marketplace:** Our proprietary Marketplace technology features decision support tools and seamlessly integrates with health plan partner enterprise systems, empowering our highly skilled and trained agents to quickly and efficiently select the right health insurance plan for each consumer based on their specific needs and enroll them in those plans.
- **TeleCare Team:** Our high-touch TeleCare team is focused on increasing consumer engagement with the GoHealth brand and helping consumers access their health insurance plan benefits..
- **Scalable and Compliant Infrastructure:** Our cloud infrastructure and compliance-by-design technology ensures scalability and compliance across our platform, essential in a highly regulated industry and crucial from a health plan partner perspective.

*Our Value Proposition: Scale Benefits and Sales/Cost of Submission Focus*

We believe that Sales/Cost of Submission is the best metric to provide insight into the efficiency and performance of our integrated platform. We focus on strengthening the key drivers of Sales/Cost of Submission, including marketing costs, the consumer lead to customer conversion rate and customer satisfaction. While we offer both do-it-yourself and agent-assisted channels to accommodate consumers' preferences, we believe that for most qualified Medicare prospects, an agent-assisted model maximizes Sales/Cost of Submission. As we continue to scale our platform, we improve our key drivers through specialization and optimization using our proprietary data and machine-learning.

We believe the key components of our platform are difficult to replicate for field-based agents, health plan partner-employed agents, and other digital or telesales competitors, making us increasingly valuable to health plans partners and consumers. As we increase the number of Submissions, our data on qualified prospect, agent, and health plan partner performance becomes richer, feeding into our machine-learning and data science-enabled feedback loops, making our marketing and technology even smarter. This differentiates us from other channels and competitors, allowing us to generate more consumer leads, convert those consumer leads to customers at a higher rate, serve our customers over a longer period of time, and reduce our Cost of Submission.

*Our Products*

We operate our business in four segments: (i) Medicare—Internal, (ii) Medicare—External, (iii) Individual and Family Plans, or IFP and Other—Internal and (iv) IFP and Other—External. The Medicare segments focus on sales of Medicare Advantage, Medicare Supplement, Medicare prescription drug plans, and Medicare Special Needs Plans (“SNPs”) for multiple health plan partners. The Medicare and IFP and Other segments are organized by distribution channel, as further described below:

- **Internal:** The internal segments primarily consist of sales of products and plans by GoHealth-employed agents offering qualified prospects plans from multiple health plan partners, GoHealth-employed agents offering qualified prospects plans on a health plan partner-specific basis, or sales of products and plans through our online platform without the assistance of our agents, which we refer to as DIY.
- **External:** The external segments represent sales of products and plans under GoHealth's health plan partner contracts using an independent, national network of agents, or external agencies, which are not employed by GoHealth. These agents utilize our technology and platform to enroll consumers in health insurance plans and provide a means to earn a return on consumer leads that otherwise may have not been addressed.

The Medicare—Internal segment is the largest segment by revenue and a primary contributor to our growth and margin expansion. Over the last two years, we grew the Medicare—Internal segment multi-health plan partner channel agent count and prioritized the placement of qualified prospects into the Medicare—Internal segment. The Medicare—Internal segment also

provides significant benefits to the broader business. For example, health plan partners that partner with us through one or more of our internal segment businesses will often supplement our marketing and technology investments. Additionally, the external segments can be used when the number of consumer leads in our marketplace is higher than we can address in a timely fashion using our internal channel.

The IFP and Other segments focus on sales of individual and family plans (which include fixed indemnity and major medical plans), dental plans, vision plans and other ancillary plans to individuals that are not Medicare-eligible. The IFP and Other segments represent a valuable source of diversification of products, health plans, consumers and revenue that are not tied solely to Medicare. Many of the products in the IFP and Other segments have a policy life under a single year.

### **Our Market and Trends Impacting the Industry**

Demographic, consumer preference and regulatory factors are driving growth in the individual health insurance market. We service this market through the Medicare segments and the IFP and Other segments.

#### *Medicare*

Medicare enrollment is expected to grow significantly over the next 10 years as over 10,000 individuals turn 65 each day and become Medicare-eligible. The proportion of the population that is age 65 and older increased from 13% in 2011 to 17% in 2021 and is expected to reach 21% by 2030, according to the United States Census Bureau. As a result, Medicare enrollment is expected to grow from approximately 63 million individuals in 2021 to approximately 93 million individuals by 2060. This growth in Medicare enrollment will increase the numbers of qualified prospects for our marketing efforts. Internet usage by individuals age 65 and older is also increasing, with 75% using the Internet in 2021 compared to 46% in 2011 according to the Pew Research Center. Seniors are also transacting more online, with 55% of people age 65 and older making online purchases monthly.

In addition to the growth in Medicare-eligible beneficiaries and higher online usage, the interest in Medicare-eligible individuals in private Medicare plans is expected to continue to increase. In 2022, 48% of all Medicare beneficiaries were enrolled in Medicare Advantage plans and between 2021 and 2022, total Medicare Advantage enrollment grew by about 2.2 million beneficiaries. According to estimates, Medicare Advantage could reach as high as 61% of all Medicare-eligible individuals by 2032. Compared to original Medicare, Medicare Advantage has lower annual healthcare costs and access to greater benefits. In addition, we expect the increase in Medicare Advantage penetration to accelerate due to the COVID-19 pandemic because of increasing consumer preference for online and telephonic insurance enrollment as opposed to face-to-face consultations. We believe the increased penetration of Medicare Advantage, as well as the growth of the number of Medicare-eligible individuals, will lead to increased Submissions for marketplaces such as ours in the future. Consumers choose Medicare Advantage plans around a specific criteria set which includes premium, total expected costs out of pocket, provider network composition, formulary coverage and supplemental benefits, which we believe are more efficiently addressed through a non-field-based distribution channel.

The growth in Medicare-eligible seniors and growing interest in private Medicare plans has led to an increase in plan choices. In addition to the increase in plan choices, the differences between health insurance plans has increased significantly. For 2019, the Centers for Medicare and Medicaid Services (“CMS”) eliminated the meaningful difference requirement to improve competition, innovation and available benefit offerings and provide beneficiaries with affordable health insurance plans that are tailored to a consumer’s specific healthcare needs and financial situation. The types of supplemental benefits that health insurance plans cover increased in recent years and now cover transportation assistance, meal benefits, in-home support, telemonitoring, and caregivers support, among others. This growth in plan choices made education and assistance with plan selection more important for consumers and allows health plan partners to target specific Medicare Advantage plans with packages of benefits designed to be attractive to different segments of Medicare consumers. Marketplaces such as ours help educate consumers, and assist them in making informed plan choices. In addition, we specifically micro-target our marketing to precise populations to allow health plan partners to grow increasingly differentiated health insurance plans. This precise marketing is more difficult for traditional radio or television-based marketing channels.

#### *Individual and Family Plans*

After the passage of the Affordable Care Act (“ACA”), the individual health insurance market grew from 10.6 million enrollees in 2013 to 17.4 million enrollees in 2015. Such increase was driven by (1) the requirement to purchase health insurance, or the individual mandate, (2) the requirement that health plans not consider pre-existing medical conditions in coverage decisions and (3) premium subsidies for middle and lower income individuals that were also contained in that legislation. With the repeal of the individual mandate in 2017 and broader economic trends, such as gains in employment, which increased the number of people having job-based coverage, the individual market has declined. The relative importance of the IFP and Other segments continues to diminish as we allocate resources to the fast growing Medicare segments.

### **Our Health Plan Partner Relationships**

We maintain longstanding, deeply integrated relationships with leading health plan partners in the United States, who have some of the industry’s most widely recognizable brands. For the twelve months ended December 31, 2022, 2021, and 2020, the primary health plan partners that we served in the Medicare segments were health plans owned by Humana, Elevance, United, and Centene. These high-quality relationships have resulted in strong health plan retention rates; since our inception, we have

never had a health plan partner terminate for performance. We typically enter into contractual agency relationships with health plan partners that are non-exclusive and terminable on short notice by either party for any reason. Health plan partners often have the ability to terminate or amend our agreements unilaterally on short notice, including provisions in our agreements relating to our commission rates.

We believe health plan partners see our method of acquiring consumers as scalable and efficient and, ultimately, as cost-advantageous compared to their own models, and provide us, in some cases, with marketing development. The health plan partners are responsible for paying our commissions and, for these purposes, act as our customers. We do not currently generate revenues directly from the consumers to whom we sell insurance policies on behalf of health plan partners.

A core element of our value proposition to health plan partners relates to our ability to reliably place policies in compliance with applicable regulations and health plan-specific requirements. As such, we work closely with health plan partners to develop approved scripts and to undertake regular audits of our compliance with health plan partner requirements. In addition, our agents operate under compensation structures established to fully align their incentives with our compliance objectives.

Health plans owned by Humana, Elevance, United and Centene accounted for approximately 26%, 23%, 18% and 11% respectively, of net revenues for the twelve months ended December 31, 2022, approximately 28%, 22%, 16% and 17% respectively, of net revenues for the twelve months ended December 31, 2021 and approximately 40%, 29%, 13% and 9% respectively, of net revenues for the twelve months ended December 31, 2020.

We continue to focus on building out our health plan partner footprint in order to provide our consumers with a greater choice of health insurance plans. This expanded health plan partner footprint positions the Company well to help maximize the likelihood of finding the right policy for consumers, driving better conversion of incoming calls and higher persistency in plans.

### Our Technology

We have a technology culture that incentivizes the relentless improvement of every measurable point of the consumer experience. We harness our data, in unison with a deep investment in data expertise, to power key decision engines that scrutinize every step of the consumer journey and identify areas where technology and process-improvement investment will most impact our unit economics, including driving improvements in Sales/Cost of Submission. We operate dozens of proprietary technology systems, which support a data-driven consumer acquisition, service, and retention lifecycle within the health insurance market.

- **Consumer Lead Acquisition:** We acquire consumer leads through many channels, including paid Internet searches, television advertising, direct mail, affiliate sources, organic traffic from GoHealth.com and other channels. We use our streaming data systems to monitor Cost of Submission, the attributes and volume of consumer leads, the efficiency of the sales process, and historical performance benchmarks on a real-time basis. These systems allow our marketing team and automated marketing systems to make informed consumer lead acquisition decisions, resulting in lower Cost of Submission. Further, we have engineered our online lead generation forms that capture consumer leads to conduct high-volume testing of our consumer lead systems. Finally, our Consent Manager system ensures the capture of verifiable consent to call or text each consumer lead in compliance with the Telephone Consumer Protection Act ("TCPA").
- **Lead Scoring:** When consumers engage with us through the telephone or our website, our data systems capture attributes about the consumer, including the specific advertisement and channel that precipitated the consumer's engagement. Our proprietary LeadScore technology applies a machine-learning model to years of historical consumer lead data we have gathered and their measured long-term outcomes to predict the expected LTV of all incoming consumer leads from the moment they connect with us. We use LeadScore to make several decisions throughout the sales process about how to optimize the routing of the consumer lead and what agents or agencies are best suited to serve each consumer.
- **Contact Queuing:** We utilize our SPLICE system, a proprietary contact queue prioritized by LTV and throttled by an integrated monitor of agent capacity, to optimize outreach to our most valuable online consumer leads at a point in time when they can be connected to our agents with minimal wait time.
- **Outbound Contact and Qualification:** Following SPLICE's automated decision for consumer outreach, our automatic telephony system contacts the consumer and immediately places them on the phone with an agent, who gathers information to personalize the consumer's sales experience, who we refer to as an Advocate. We also use the data gathered by our Advocates to improve the sales process by testing the questions our Advocates ask and building data models of how consumers' answers affect agent-consumer fit, consumer-product fit, Cost of Submission, LTV, and long-term customer satisfaction.
- **Lead Distribution:** At the conclusion of the information-gathering process, and while the consumer is still on the phone, we use our proprietary lead auction system to make a health insurance market for the lead. External agencies participate in the auction along with our internal agency and programs, and present a pricing bid based on the consumer lead's profile. We compete in the auction, winning the lead in the vast majority of cases, as our unit

economics make typical consumer leads far more profitable for us to service than to distribute to external agencies. Our Assisted Live Transfer technology connects the call to the winner, via either warm (attended) transfer or cold (blind) transfer, dynamically chosen based on the availability of Advocates.

- **Optimized Call Routing:** If the consumer lead is distributed from an Advocate further into our internal sales process, our CallRouter technology partitions the consumer leads into clusters based on lead and agent attributes. Each cluster is serviced by insurance agents with specialized licensing, training, experience, and performance characteristics tailored to that cluster. An agent can be assigned to one or more clusters, and each agent has a rank within each cluster to express the agent's relative proficiency for servicing consumer leads in the cluster. Agent, consumer lead, and cluster performance data are continuously gathered and regularly analyzed by machine-learning experts and sales managers alike to ensure optimal call-routing.
- **Consumer Lead Management:** As consumer leads are assigned and connected to agents, our BrokerOffice technology provides guidance to the agents on the most appealing value proposition to the consumer based on the information previously collected about the consumer.
- **Marketplace:** After reviewing the consumer's profile in BrokerOffice, the agent launches our Marketplace technology. Our Marketplace technology provides comparative shopping capabilities for all products available to the consumer in their geography and across health plan partners. It also ensures that while the agent has access to, and is able to compare, all products in the market, they only sell products for which they are appointed and licensed. The Marketplace has a growing set of decision support capabilities to guide the agent to the consumer's ideal plan. For example, agents have the ability to look up each consumer's providers and prescription drugs to compare their coverage inclusion and cost across plans. When the agent is ready to apply for a specific plan with the consumer, they may do so directly through the Marketplace. If the consumer requires time to consider the plan, the agent can send a personalized plan proposal either by email or SMS text message. Consumers can review proposals and enroll on their own directly from their phone, tablet, or computer.
- **Electronic Applications:** We utilize proprietary domain-specific language for the rapid development and deployment of compliant electronic insurance applications. We ensure that insurance applications can be built and validated using standard, reusable modules wherever appropriate, while still being able to seamlessly integrate custom components as necessary. Completed applications are delivered directly to the corresponding health plan partners through custom integration partnerships.
- **Consumer Lifecycle Management:** We receive application submission, commission, and book of business data regularly from each integrated health plan partner. We integrate this data with the other consumer data gathered throughout the consumer lifecycle to build a Retention Model using our machine-learning technology, which identifies consumers in need of engagement. Similar to many of our other systems, the Retention Model is continuously tested to increase performance and capability. We also use post-sale data from health plan partners to model how retention outcomes relate to consumer, marketing, and customer journey attributes so that every piece of our technology can be further optimized to maximize customer satisfaction and improve the sales process.
- **Monitoring:** We have also developed several enabling and monitoring technologies to detect and automatically address anomalies and inefficiencies in our operations based on deviations from baseline norms, and to ensure that our operations are fully compliant. Agent calls are continuously monitored so that we automatically redact PCI from compliant call recordings in real time. Various network and agent performance metrics are tracked so that we can exert control over our advertising and sales operations.

## Our Agents

Since our inception, our highly skilled and trained agents have enrolled millions of people in Medicare and individual and family plans. Our technology, lead distribution and workflow allow agents to work in our Benefits Center or to work remotely at home, providing us with a sustainable avenue for growth.

Our agent base consists of licensed Tier 2 and TeleCare agents who assist in guiding consumers through their healthcare journey. Our licensed Tier Two agents help consumers choose the best plan for them and enroll consumers into policies. TeleCare agents further engage and help consumers utilize their benefits and better engage consumers, helping drive higher satisfaction and persistency. Our agents benefit from a rigorous training program consisting of four-to-eight weeks of classroom and interactive instruction prior to engaging with consumers. Our training courses cover insurance licensing, compliance requirements, customer service interactions, live role playing, and systems use. We competitively compensate agents to incentivize their productivity, increase member retention and improve customer satisfaction. In addition to an hourly wage, we also compensate our agents through a structured bonus program. Our bonus program is designed to compensate agents based on the quality and quantity of their enrollments.

## Our Marketing

We employ data-driven, omnichannel marketing efforts to increase consumer phone calls and visits to our website and convert those calls and visits into customers. Our marketing initiatives include:

- **Offline Media Marketing:** Our offline media channel consists of branded advertisements run on television (both linear and over-the-top) and radio, as well as targeted direct mail campaigns.
- **Digital (Online) Media:** Our digital media channel consists of branded advertisements run on paid search, display, native and social media platforms. These paid media efforts are supported by unpaid email and organic search campaigns. Our online advertising programs are delivered across all Internet-enabled devices, including desktop computers, tablet computers and smart phones.
- **Marketing Partners:** Our marketing partner consumer acquisition channel consists of a network comprised of hundreds of partners that drive consumers to our ecommerce platform and Benefits Center. These partners include healthcare industry participants, such as insurance health plan partners, financial and online services partners in industries, such as banking and insurance, as well as affiliate organizations.

## Government Regulation and Compliance

The marketing and sale of insurance products and plans is a heavily regulated industry. Various aspects of our business are, may become, or may be viewed by regulators from time to time as subject, directly or indirectly, to U.S. federal, state and foreign laws and regulations. We are affected by laws and regulations that apply to businesses in general, the healthcare industry, and the insurance industry, as well as to businesses operating on the internet. This includes a continually expanding and evolving range of laws, regulations and standards that address financial services, information security, data protection, privacy and data collection and destruction, marketing of Medicare Advantage and other Medicare plans, healthcare compliance and fraud and abuse, among other things. We are also subject to laws governing marketing and advertising activities conducted by telephone, email, mobile devices and the internet. In addition, we are a licensed insurance producer in all 50 U.S. states and the District of Columbia. Insurance is highly regulated by the states in which we do business, and we are required to comply with and maintain various licenses and approvals. Regulatory authorities often have the discretion to grant, renew and revoke the various licenses and approvals we need to conduct our activities and, should we fail to retain our licenses, our business and results of operations could be adversely affected.

The Medicare segments are subject to regulations and guidelines issued by CMS that place a number of requirements on health plan partners, agents and brokers in connection with the marketing and sale of Medicare Advantage and Medicare Part D prescription drug plans. State insurance departments also regulate the marketing and sale of Medicare Supplement plans. CMS and state insurance department regulations and guidelines include a number of prohibitions regarding the ability to contact Medicare-eligible individuals and place many restrictions on the marketing of Medicare-related plans. For example, our health plan partners are required to file with CMS and state departments of insurance certain of our platforms, our call center scripts and other marketing materials we use to market Medicare-related plans. In some instances, CMS or state departments of insurance must approve the material before we use it. In addition, the laws and regulations applicable to the marketing and sale of Medicare-related plans are ambiguous, complex and, with respect to regulations and guidance issued by CMS for Medicare Advantage and Medicare Part D prescription drug plans, change frequently, and may do so as a result of the effects of the end of the national health emergency declared in response to the COVID-19 pandemic.

There are also numerous state and federal laws and regulations related to the privacy and security of health information. Laws in all 50 states require businesses to provide notices to affected individuals whose personal information has been disclosed as a result of a data breach, and certain states require notifications for data breaches involving individually identifiable health information. Most states require holders of personal information to maintain safeguards and take certain actions in response to a data breach, such as maintaining reasonable security measures and providing prompt notification of the breach to affected individuals and the state's attorney general. In particular, regulations promulgated pursuant to the Health Insurance Portability and Affordability Act of 1996 (HIPAA) require us to maintain the privacy of individually-identifiable health information that we

collect on behalf of health plan partners, implement measures to safeguard such information and provide notification in the event of a breach in the privacy or confidentiality of such information. If we were to be found to have breached our obligations under HIPAA, we could be subject to enforcement actions by the U.S. Department of Health and Human Services Office for Civil Rights (“OCR”) and state health regulators and lawsuits, including class action law suits, by private plaintiffs. In addition, OCR performs compliance audits in order to proactively enforce the HIPAA privacy and security standards. OCR has become an increasingly active regulator and has signaled its intention to continue this trend. OCR has the discretion to impose penalties without being required to attempt to resolve violations through informal means; further OCR may require companies to enter into resolution agreements and corrective action plans which impose ongoing compliance requirements. OCR enforcement activity can result in financial liability and reputational harm, and responses to such enforcement activity can consume significant internal resources. In addition to enforcement by OCR, state attorneys general are authorized to bring civil actions under either HIPAA or relevant state laws seeking either injunctions or damages in response to violations that threaten the privacy of state residents. Although we have implemented and maintained policies, processes and a compliance program infrastructure to assist us in complying with these laws and regulations and our contractual obligations, we cannot provide assurance regarding how these laws and regulations will be interpreted, enforced or applied to our operations. In addition to the risks associated with enforcement activities and potential contractual liabilities, our ongoing efforts to comply with evolving laws and regulations at the federal and state levels also might require us to make costly system purchases and/or modifications or otherwise divert significant resources to HIPAA compliance initiatives from time to time.

In addition, we have entered into contracts with health plan partners and others regarding the collection, maintenance, protection, use, transmission, disclosure or disposal of sensitive personal information. The use and disclosure of certain data that we collect from consumers are also regulated in some instances by other federal laws, including the Gramm-Leach-Bliley Act (“GLBA”), and state statutes implementing GLBA, which generally require brokers to provide customers with notice regarding how their non-public personal health and financial information is used and the opportunity to “opt out” of certain disclosures before sharing such information with a third party, and which generally require safeguards for the protection of personal information. We regularly assess our compliance with privacy and security requirements.

These requirements are evolving, and states are beginning to adopt additional requirements, including California, where the California Consumer Privacy Act of 2018 (“CCPA”) took effect beginning January 1, 2020, and was revised by the California Privacy Rights Act (CPRA), a ballot measure approved by California voters that became effective beginning January 1, 2023. The CCPA gives California residents expanded rights to access and delete their personal information, opt out of certain personal information sharing, and receive detailed information about how their personal information is used. The CCPA provides for civil penalties for violations, as well as a private right of action for data breaches that is expected to increase data breach litigation. In addition to government action, health plan partner expectations relating to privacy and security protections are increasing and evolving. We have incurred significant costs to develop new processes and procedures and to adopt new technology in an effort to comply with privacy and security laws and regulations and health plan partner expectations and to protect against cybersecurity risks and security breaches. We expect to continue to do so in the future. Violations of federal and state privacy and security laws and other contractual requirements may result in significant liability and expense, damage to our reputation or termination of relationship with government-run health insurance exchanges and our members, marketing partners and health plan partners.

Federal and state consumer protection laws are being applied increasingly by the Federal Trade Commission (“FTC”), Federal Communications Commission (“FCC”), and states’ attorneys general to regulate the collection, use, storage and disclosure of personal or health information, through websites or otherwise, and to regulate the presentation of website content. Courts may also adopt the standards for fair information practices promulgated by the FTC, which concern consumer notice, choice, security and access. Consumer protection laws require us to publish statements to our members that describe how we handle personal information and choices members may have about the way we handle personal information. If such information that we publish is considered untrue, we may be subject to government claims of unfair or deceptive trade practices, which could lead to significant liabilities and consequences.

New York’s cybersecurity regulation for financial services companies requires entities under the jurisdiction of the New York Department of Financial Services (“NYDFS”), including insurance entities, to establish and maintain a cybersecurity program designed to protect private consumer data. The Cybersecurity Model Law adopted by the National Association of Insurance Commissioners (“NAIC”) is functionally similar to the NYDFS rule and is intended to establish the standards for data security and for the investigation and notification of data breaches applicable to insurance licensees in states adopting the law.

In addition, the United States regulates marketing and certain other communications by telephone and email, and individual states also impose restrictions on telephone marketing. The laws and regulations governing the use of emails and telephone calls for such purposes continue to evolve, and changes in technology, the marketplace or consumer preferences may lead to the adoption of additional laws or regulations or changes in interpretation of existing laws or regulations. The TCPA and other federal and state laws prohibit companies from making telemarketing calls to numbers listed in the Federal Do-Not-Call Registry and impose other obligations and limitations on making phone calls and sending text messages to consumers. The CAN-SPAM Act regulates commercial email messages and specifies penalties for the transmission of commercial email messages that do not comply with certain requirements, such as providing an opt-out mechanism for stopping future emails from senders. We are required to comply with these and similar laws, rules and regulations.

## Patents, Trademarks and Other Intellectual Property

We rely on a combination of copyright, trademark and trade secret laws as well as confidentiality procedures and contractual provisions to protect our proprietary software, including Marketplace, and our brands. We have registered or applied to register certain of our trademarks in the United States and several other countries. Our registered trademarks have an original duration between 10 and 20 years. We also license intellectual property from third parties, including software that is incorporated in or bundled with our proprietary software applications. We generally control access to and use of our proprietary software and other confidential information through the use of internal and external controls, including entering into non-disclosure and confidentiality agreements with both our employees and third parties.

## Competition

The market for the distribution of health insurance products and plans is highly competitive, fragmented and evolving as purchasing behavior shifts from traditional field-based agent models towards digital and telephonic platforms. Our competition leverages a variety of channels including government-run health insurance exchanges, health plan partner-employed agents, field based independent agents and brokers, or platforms that distribute directly to the consumer digitally or telephonically. We aim to differentiate our products and services on the basis of our ability to match consumers with the insurance products that best match their needs by leveraging our health plan partner relationships, proprietary technology, machine-learning capabilities and extensive data, efficient business processes, and highly skilled and trained agents.

- **Internet Marketers and Telesales Distribution Platforms:** There are many marketing companies and distribution platforms that use the Internet or telesales models to find consumers interested in purchasing health insurance and are compensated for referring those consumers to agents and health plan partners. We compete with these companies using similar business models to ours, such as eHealth, Inc. and SelectQuote Inc., for qualified prospects, sales, and health plan partner relationships.
- **Health Plan Partner-Employed Agents:** Some health plan partners directly market and sell their plans to consumers through their own agents, call centers and websites. Although we offer health insurance plans for many of these health plan partners, they also compete with us by offering their plans directly to consumers. Most of these health plan partners have brand recognition, significant financial resources, and have become experienced in marketing their products to consumers through traditional and emerging channels.
- **Independent Agents and Brokers:** We compete with thousands of local insurance agents and brokers across the United States who sell insurance products in their communities. While many of these agents offer health insurance products without significant utilization of advanced technology or the Internet, a number have embraced telesales or established websites providing an online shopping experience for consumers.
- **Government:** We compete with the federal government's original Medicare program in marketing Medicare insurance plans. CMS also offers Medicare-plan online enrollment, information and comparison tools, and has established call centers for the sale of Medicare Advantage and Medicare Part D prescription drug plans (collectively, Medicare Plans). CMS has regulatory authority over Medicare Plans and can influence the competitiveness of Medicare Plans compared to the original Medicare program, as well as the compensation that health plan partners are allowed to pay to us.

## Seasonality

The Medicare annual enrollment period occurs from October 15<sup>th</sup> to December 7<sup>th</sup>. As a result, we experience an increase in the number of submitted Medicare-related applications during the fourth quarter and an increase in expense related to the Medicare segments during the third and fourth quarters. Additionally, as a result of the annual Medicare Advantage open enrollment period that occurs from January 1<sup>st</sup> to March 31<sup>st</sup>, commission revenue and Encompass revenue are typically second-highest in our first quarter. The second and third quarters are known as special election periods, and commission revenue and Encompass revenue are lower during these quarters. A significant portion of our marketing and advertising expenses is driven by the number of health insurance applications submitted through us. Marketing and advertising expenses are generally higher in the fourth quarter during the Medicare annual enrollment period, but because commissions from approved customers are paid to us over time, our operating cash flows could be adversely impacted by a substantial increase in marketing and advertising expenses as a result of a higher volume of applications submitted during the fourth quarter or positively impacted by a substantial decline in marketing and advertising expenses as a result of lower volume of applications submitted during the fourth quarter.

## Human Capital Resources

As of December 31, 2022, we employed 2,467 employees. We employed 2,363 people in the United States and 104 in Slovakia. During the Medicare annual enrollment period, we typically hire additional full-time employees. None of our employees are represented by a labor union or are party to a collective bargaining agreement, and we have had no labor-related work stoppages. We consider our employee relations to be good.

We consider diversity and inclusion as part of what drives our success. Our diverse teams positively affect our relationships with consumers, health plan partners, and the communities we serve. We intend to continue to use the strength of our mission and our diverse people to continue to make a difference to the lives of our customers.



We have implemented several measures to incorporate diversity and inclusion practices into our business strategy, including the following:

- Requiring all employees to attend cultural training, a series of courses providing education and awareness specific to diversity, discrimination, harassment, and emotional intelligence.
- The development and implementation of Respectful Spaces, a program affording employees an outlet to have dialogue about sensitive topics impacting them at work, home and within their communities and globally.
- Formal training of our leaders to help employees successfully navigate sensitive topics that may surface and encourage respectful dialogue. To support the development of our diversity strategy, leaders and executive teams attended a vendor-led training to gain fundamental knowledge about diversity, inclusion, and belonging. The objective of the training was to outline our commitments to diversity and inclusion for the future.
- The Formation of interest and employee resource groups to allow employees to share information, network, and work on their professional and personal development; including, Black Lives Matter, Women in Sales and Allies and Women at GoHealth.

As of December 31, 2022, approximately 52% of our global workforce and 42% of our employees in managerial roles identified as female. Additionally, as of December 31, 2022, approximately 3%, 32%, 13%, 5%, and 47%, of our global workforce identified as Asian, Black or African American, Hispanic or Latino, Other (defined as American Indian, Alaska Native, Native Hawaiian or Other Pacific Islander, and Multiracial ethnicities), or White, respectively. As of December 31, 2022, approximately 4%, 28%, 9%, 4%, and 55%, of our employees in managerial roles identified as Asian, Black or African American, Hispanic or Latino, Other (defined as American Indian, Alaska Native, Native Hawaiian or Other Pacific Islander, and Multiracial ethnicities), or White, respectively.

Our success is also rooted in hiring passionate employees, including sales professionals, entrepreneurs, analysts, marketers, engineers, and more – all of whom believe in our mission statement. We are proud of our lively, employee-driven culture and aim to offer our team the benefits and support they need to thrive. We offer comprehensive benefit programs to our employees, including major medical, dental and vision benefits, life insurance coverage, flexible spending accounts, 401(k) retirement plan with a Company match, an employee stock purchase plan offering, along with numerous other offers aimed at supporting our employees both personally and professionally. We recognize and support the growth and development of our employees and offer opportunities to participate in internal as well as external learning programs.

#### **Available Information**

The U.S. Securities and Exchange Commission (“SEC”) maintains an internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC ([www.sec.gov](http://www.sec.gov)). Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to reports filed or furnished pursuant to Sections 13(a) and 15(d) of the Exchange Act are also available free of charge on our investor relations website as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC ([investors.gohealth.com](http://investors.gohealth.com)).

## ITEM 1A. RISK FACTORS

*Investing in our Class A common stock involves a high degree of risk. You should carefully consider the risks and uncertainties described below, together with all of the other information in this Annual Report on Form 10-K, including our Consolidated Financial Statements and the related Notes, before deciding to invest in our Class A common stock. The occurrence of any of the events described below could harm our business, operating results and financial condition. In such an event, the market price of our Class A common stock could decline, and you may lose all or part of your investment. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business. See "Cautionary Note Regarding Forward-Looking Statements."*

### Risks Related to Our Business

***The marketing and sale of Medicare plans are subject to numerous, complex and frequently changing laws, regulations and guidelines, and non-compliance with or changes in laws, regulations and guidelines could harm our business, operating results and financial condition.***

Our business and operating results are heavily dependent on marketing and selling private Medicare plans. The marketing and sale of Medicare Advantage and Medicare Part D prescription drug plans are principally regulated by CMS but are also subject to state laws. The marketing and sale of Medicare Supplement plans are principally regulated on a state-by-state basis by state departments of insurance or equivalent state departments. The laws and regulations applicable to the marketing and sale of Medicare plans are numerous, ambiguous and complex, and regulations and guidance issued by CMS for Medicare Advantage and Medicare Part D prescription drug plans are frequently changing. Many aspects of our online platforms and our marketing material and processes, as well as changes to these platforms, materials and processes, including call center scripts, must be filed with CMS and reviewed and approved by health plan partners in light of CMS requirements. In addition, certain aspects of our Medicare plan marketing partner relationships have been in the past, and will be in the future, subjected to CMS review and health plan partner review. Changes to the laws, regulations and guidelines relating to the sale and marketing of Medicare plans, their interpretation or the manner in which they are enforced have been occurring with increased frequency with the expectation that changes to existing requirements and the imposition of new requirements will continue, and could be incompatible with these relationships, the manner in which we conduct our business, our platforms or our sale of Medicare plans, which could harm our business, operating results and financial condition.

Due to potential changes in CMS guidance, enforcement, interpretation or, in light of the COVID-19 pandemic, the sunset of waivers of existing laws, regulations and guidance applicable to our marketing and sale of Medicare products due to the end of the national health emergency, or as a result of new laws, regulations and guidelines, CMS, state departments of insurance or health plan partners may object to or not approve aspects of our online platforms or marketing materials and processes and determine that certain existing aspects of our Medicare-related business are not in compliance with the applicable laws, regulations and guidance. As a result, the progress of our Medicare operations could be slowed or we could be prevented from operating aspects of our Medicare revenue generating activities altogether, which would harm our business, operating results and financial condition, particularly if it occurred during the Medicare annual enrollment period.

***Our operating results may be adversely impacted by factors that impact our estimate of LTV.***

We recognize revenue at the time a qualified prospect becomes a commissionable Submission by applying the latest estimated LTV for that product. We estimate commission revenue for each product by using a portfolio approach to a group of approved customers that are organized based on a variety of attributes, which we refer to as "vintages." We estimate the cash commissions we expect to collect for each approved customer vintage by evaluating various factors, including, but not limited to, commission rates, health plan partners, estimated average plan duration, the regulatory environment, and historic cancellations of health insurance plans offered by health plan partners with which we have a relationship. On a quarterly basis, we recompute LTV at a vintage level for all outstanding vintages, review and monitor changes in the data used to estimate LTV as well as the cash received for each vintage as compared to our original estimates. The fluctuations of cash received for each vintage and LTV may be and has been significant and may or may not be indicative of the need to adjust LTVs for prior period vintages. Management analyzes these fluctuations and, to the extent we see changes in our estimates of the cash commission collections that we believe are indicative of an increase or decrease to prior period LTVs, we will adjust and have adjusted LTVs for the affected vintages at the time such determination is made. Changes in LTV may result and have resulted in an increase or a decrease to revenue and a corresponding increase or decrease to net commissions receivable accordingly.

As we continue to evaluate our LTV estimation models and the processes and controls related to the LTV estimation models, including to address the material weakness identified in Item 9A "Controls and Procedures" of this 2022 Annual Report on Form 10-K and our 2021 Annual Report on Form 10-K, we have made and will make further changes based on a number of factors and such changes could result in significant further increases or decreases in revenue. LTVs are estimates based on a number of assumptions, which include, but are not limited to, estimates of the conversion rates of commissionable Submissions into customers, forecasted average plan duration and forecasted commission rates we expect to receive per approved customer's plan. These assumptions are based on historical trends and require significant judgment by our management in interpreting those trends. Changes in our historical trends will result in changes to our LTV estimates in future periods and, therefore, could adversely affect our revenue and financial results in those future periods. As a result, negative changes in the factors upon which

we estimate LTVs, such as reduced conversion of commissionable Submissions to customers, increased health insurance plan termination or a reduction in the lifetime commission amounts we expect to receive for selling the plan to a customer or other changes could harm our business, operating results and financial condition. We have seen, in the past several quarters, and continue to see such negative changes which have resulted in a negative revenue adjustments. In addition, if we ultimately receive commission payments that are less than the amount we estimated when we recognized commission revenues, we would need to write off the remaining commissions receivable balance, which could materially adversely impact our operating results and financial condition.

As an example, the forecasted average plan duration is an important factor in our estimation of LTV. We receive commissions from health plan partners for policies sold through us that go on to become customers of those health plan partners. When one of these plans is canceled, or if we otherwise do not remain the agent on the policy, we no longer receive the related commission payment. Our forecasted average plan duration and health insurance plan termination rates are calculated based on our historical data by plan type and for certain products, such as our Medicare Advantage products which constitute the majority of our revenue, and if we are unable to produce an accurate forecasted average plan duration, our business, operating results and financial condition may be adversely impacted. We have seen pressure, within the industry, on plan duration based upon increased customer churn and have made corresponding revenue adjustments. Additionally, from time to time, health plan partners may stop offering products in a geographic area. While in many cases, health plan partners will still support existing customers in those geographic areas, because they are no longer offering new plans, the retention of those customers may be adversely impacted, thereby impacting our expected LTVs.

Commission rates are also a factor in estimating our LTVs, which are impacted by a variety of factors, including the particular health insurance plans chosen by our customers, the health plan partners offering those plans, our customers' states of residence, the laws and regulations in those jurisdictions, the average premiums of plans purchased through us and healthcare reform. Any reduction in our average commission revenue per customer could harm our business, operating results and financial condition.

***Our business may be harmed if we lose our relationship with health plan partners or if our relationships with health plan partners change, particularly if we or our contracted health plan partners temporarily or permanently lose the ability to market and sell Medicare plans.***

Our contractual relationships with health plan partners, including those with whom we have health plan partner-branded sales arrangements, are typically non-exclusive and terminable on short notice by either party for any reason. Health plan partners may be unwilling to allow us to sell their insurance products for a variety of reasons, including competitive or regulatory reasons, dissatisfaction with the insureds that we place with them or because they do not want to be associated with our brand. Additionally, in the future, an increasing number of health plan partners may decide to rely on their own internal distribution channels, including traditional in-house agents and their own websites, to sell their own products, which could limit or prohibit us from distributing their products. Also, because we do not have exclusive relationships with health plan partners, health plan partners can and do use our competitors to sell their products.

If a health plan partner is not satisfied with our services, it could cause us to incur additional costs and impact our profitability. For example, a health plan partner could terminate our services, decrease our commissions going forward or restrict our ability to market their products. Moreover, if we fail to meet our contractual obligations to any of our health plan partners, we could be subject to legal liability or lose our health plan partner relationships. In addition, these claims against us may produce negative publicity that could hurt our reputation and business and adversely affect our ability to retain business, find new consumers to sell products to or secure new business with other health plan partners.

In addition, with respect to the plans we sell in the IFP and Other segments and Medicare Supplement plans, health plan partners periodically change the criteria they use for determining whether they are willing to insure individuals. Future changes in health plan partners underwriting criteria could negatively impact sales of, or the renewal or approval rates of, insurance policies on our platform, which could negatively impact our revenue.

We may decide to terminate our relationship with a health plan partner for a number of reasons and the termination of our relationship with a health plan partner could reduce the variety of insurance products we distribute. In connection with such a termination, we would lose a source of commissions for future sales, and, in a limited number of cases, future commissions for past sales. Our business could also be harmed if we fail to develop new health plan partner relationships or offer customers a wide variety of insurance products.

We may also lose the ability to market and sell Medicare plans for one or more Medicare health plan partners. The regulations for selling Medicare health insurance are complex and can change frequently. If we, our agents, or a health plan partner violates any of the requirements imposed by CMS, or federal or state laws or regulations, a health plan partner may terminate our relationship or take other corrective action against us, or CMS may penalize a health plan partner by suspending, limiting, or terminating that health plan partners' ability to market and sell Medicare plans. Moreover, if any of our health plan partners terminate its relationship with us for cause, we may have to disclose such termination to other health plan partners, which may result in termination of additional health plan partner relationships. Because the Medicare products we sell are sourced from a relatively small number of health plan partners, if we lose the ability to market one of those health plan partners' Medicare plans,

even temporarily, or if one of those health plan partners loses its Medicare product membership, our business, operating results and financial condition could be harmed.

***Our gradual expansion of the Encompass Solution may not be as successful as we expect.***

We have gradually expanded our Encompass Solution since unveiling it in late 2020. This expansion has resulted in an increase of the percentage of our revenue that qualifies as enterprise (as opposed to commission). Through our Encompass Solution, we generate revenue for providing various services and products including for generating and transferring leads to the health plan partners, providing onboarding services, and for partner marketing and enrollment services. Enterprise revenue does not use the LTV model and cash is collected on or around the time of service. We believe this solution provides greater member satisfaction and lasting, trusted relationships with members, which is a positive for all interested parties. If our health plan partners move away from the Encompass Solution model and insist on using the traditional LTV and commission based model, we may experience a negative impact on our operating results.

***Our failure to grow our beneficiary base or retain our existing beneficiaries, including if we are unable to effectively advertise our products in a cost-effective way, could adversely impact our business, operating results and financial condition.***

We receive commissions from health plan partners for health insurance plans sold through us. When one of these plans is canceled, or if we otherwise do not remain the agent on the plan, we no longer receive the related commission payment and do not receive any commissions from renewals. Our beneficiaries may choose to discontinue their health insurance plans for a variety of reasons. Any decrease in the amount of time we retain our beneficiaries could adversely impact the estimated LTV we use for purposes of recognizing revenue. See “—Our operating results may be adversely impacted by factors that impact our estimate of LTV.” Moreover, if we are not able to successfully retain existing beneficiaries and limit health insurance plan turnover, our cash flows from operations will be adversely impacted and our business, operating results and financial condition would be harmed.

In addition, in certain circumstances, the Medicare-related commission rates that we receive may be higher in the first calendar year of a plan if the plan is the first Medicare Advantage plan issued to the beneficiary. Similarly, the individual and family plans commission rates that we receive are typically higher in the first twelve months of a policy. After the first twelve months, they generally decline significantly. As a result, if we do not add a sufficient number of beneficiaries to new plans, our business, operating results and financial condition would be harmed.

We use the Internet, television, radio, mail, e-mail and the telephone, among other channels, to market our services and to communicate with qualified prospects or our existing beneficiaries. Some of our competitors have greater financial resources, which enable them to purchase significantly more advertising than we are able to purchase. Further, the cost of marketing and advertising may fluctuate significantly based on demand. If the cost of marketing and advertising increases for any reason, we may not be able to purchase as many advertisements as we typically would or would have to incur greater costs to do so. We also rely on third-party partners to generate leads on our behalf. If these third-party partners are not successful or do not provide us with quality leads, it may adversely impact our business.

Additionally, we derive a significant portion of our website traffic from potential beneficiaries who search for health insurance through Internet search engines and through social media. A critical factor in attracting beneficiaries to our website is whether we are prominently displayed in response to an Internet search relating to health insurance or on a social media platform. We rely primarily on paid advertisements to attract potential beneficiaries to our websites and otherwise generate demand for our services. To the extent the competition for advertising is high, we may experience increases in the cost of paid Internet search advertising and social media advertising. Further, the competition for search engine placement and social media presence increases substantially during the enrollment periods for Medicare-related health insurance and for individual and family health insurance. If paid search advertising costs or social media advertising costs increase or become cost prohibitive, whether as a result of competition, algorithm changes or otherwise, our advertising expenses could rise significantly or we could reduce or discontinue our paid search advertisements or social media advertisements, in either case which would harm our ability to attract and retain customers.

Our ability to advertise is also dependent on the laws and regulations governing the advertising and marketing of health insurance products and our other products or services, which continue to evolve and carry significant penalties for violations of law. Changes in technology, the marketplace or consumer preferences may lead to the adoption of additional laws or regulations or changes in interpretation of existing laws or regulations. If new laws or regulations are adopted, or existing laws and regulations are interpreted or enforced, to impose additional restrictions on our ability to advertise to our customers or qualified prospects, we may not be able to communicate with them in a cost-effective manner.

For example, Internet service providers, e-mail service providers and others attempt to block the transmission of unsolicited e-mail, commonly known as “spam.” Many Internet and e-mail service providers have relationships with organizations whose purpose it is to detect and notify the Internet and e-mail service providers of entities that the organization believes are sending unsolicited e-mail. If an Internet or e-mail service provider identifies e-mail from us as “spam” as a result of reports from these organizations or otherwise, we can be placed on a restricted list that will block our e-mail to customers or qualified prospects.

Potential beneficiaries also increasingly screen their incoming e-mails, telephone calls, and text messages, including by using screening tools and warnings, and, therefore, our customers or qualified prospects may not reliably receive our communications. In addition, telephone health plan partners may block or put customer warnings on calls originating from call centers. If we are unable to communicate effectively by e-mail or telephone with our customers and qualified prospects as a result of legislation, blockage, screening technologies or otherwise, our ability to attract and retain customers will be limited.

Our business primarily generates revenue through the sale of Medicare Advantage plans. In some instances, traditional Medicare may be more attractive than Medicare Advantage because, for example, potential provider network restrictions imposed by Medicare Advantage plans do not exist in traditional Medicare, allowing patients with traditional Medicare to visit any doctor that accepts Medicare. In those instances, consumers may opt not to purchase a Medicare Advantage plan from us.

In general, the growth in our beneficiary base is highly dependent upon our success in attracting new beneficiaries during the Medicare annual enrollment period. In 2022, approximately 36.6% of our Medicare Advantage Submissions were sold during the three months ended December 31, 2022. If our ability to market and sell Medicare-related health insurance and individual and family plans is constrained during an enrollment period for any reason, such as technology failures, reduced allocation of resources, any inability to timely employ, license, train, certify and retain our employees and our contractors and their agents to sell plans, interruptions in the operation of our website or systems, disruptions caused by other external factors or issues with government-run health insurance exchanges, we could acquire fewer customers or suffer a reduction in our existing customer base and our business, operating results and financial condition could be harmed.

***Health plan partners may reduce the commissions paid to us and change their underwriting practices in ways that reduce the number of, or impact the renewal or approval rates of, insurance policies sold through our platform, which could harm our business, operating results and financial condition.***

Our commission rates from health plan partners are either set by each health plan partner or negotiated between us and each health plan partner. The commission rates we are paid are, for any given plan for a given customer, based on a number of factors, including the health plan partners offering those plans, the state of residence of customers, the laws and regulations in the jurisdictions where the customer is located, and the customer's previous Medicare enrollment history (if any). Health plan partners have the right to alter these commission rates with relatively short notice and have altered, and may in the future alter, the contractual relationships we have with them, including in certain instances by unilateral amendment of our contracts relating to commission rates or otherwise. For example, CMS could reduce the amount paid by CMS to Medicare Advantage plans or change the regulations and/or timelines applicable to the Medicare Advantage program, particularly in response to the COVID-19 pandemic, which could result in decreased commission rates or reduce health plan partner participation in the Medicare Advantage program. Changes of this nature could result in reduced commissions, or could impact our relationship with such health plan partners and potentially lead to contract termination. Because revenue in the Medicare segments is concentrated in a relatively small number of health plan partners, we are particularly vulnerable to changes in commission rates and changes in the competitiveness of our health plan partners' Medicare products.

***Information technology system failures could interrupt our operations and have a material adverse effect on our business, financial condition and results of operations.***

Our ability to sell insurance is dependent upon our information technology systems. In connection with sales of Medicare plans, CMS rules require that our health insurance agent employees utilize CMS-approved scripts and that we record and maintain the recording of telephonic interactions. We rely on telephone, call recording, customer relationship management and other systems and technology in our sales operations to sell Medicare plans, and we are dependent upon third parties for some of these systems and technologies, including our telephone services, which are provided by Five9, call recording systems and other communications systems. Health plan partners often audit these recordings for compliance purposes and listen to them in connection with investigating complaints. We have had in the past, and may in the future, experience failures of certain of our systems, including our telephone and call recording systems. For example, we have experienced failures of our systems due to power outages, which have negatively impacted our ability to sell plans. The effectiveness and stability of our systems and technology are critical to our ability to sell Medicare plans, particularly during the Medicare enrollment periods, and the failure or interruption of any of these systems and technologies or any inability to handle increased business volume may have a material adverse effect on our business, operating results and financial condition and subject us to litigation or to actions by regulatory authorities.

***Our management identified a material weakness in our internal controls over financial reporting, and we may be unable to develop, implement and maintain appropriate controls in future periods, which may lead to errors or omissions in our financial statements.***

We are subject to the NASDAQ rules and the rules and regulations established from time to time by the SEC. These rules and regulations require, among other things, that we establish and periodically evaluate procedures with respect to our internal control over financial reporting. In addition, the Sarbanes-Oxley Act and related rules and regulations require that management report annually on the effectiveness of our internal control over financial reporting and assess the effectiveness of our disclosure

controls and procedures on a quarterly basis. Maintaining and adapting our internal controls is expensive and is likely to place a considerable strain on our financial and management systems, processes and controls, as well as on our personnel.

As described in Item 9A “Controls and Procedures” of our 2021 Annual Report on Form 10-K and this 2022 Annual Report on Form 10-K, we concluded that our disclosure controls and procedures were not effective as of December 31, 2021 and December 31, 2022, and that as of such dates we had a material weakness in our internal control over financial reporting related to the ineffective design and operation of process level controls that addressed the completeness and accuracy of key financial data utilized in the recognition of commission revenue, including estimating the total constrained lifetime value of commission revenue and the related cost of revenue and balance sheet accounts, and the Company did not retain sufficient contemporaneous documentation to demonstrate the operation of review controls over commission revenue at a sufficient level of precision. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim consolidated financial statements would not be prevented or detected on a timely basis. This material weakness identified in Item 9A “Controls and Procedures” of our 2022 Annual Report on Form 10-K did not result in any adjustments or restatements of our audited and unaudited consolidated financial statements or disclosures for any prior period previously reported by the Company. However, until the material weakness is remediated and our associated disclosure controls and procedures improved, or if additional material weaknesses or significant deficiencies in our internal control over financial reporting occur in the future, our future consolidated financial statements or other information filed with the SEC may contain material misstatements.

We are evaluating and developing a plan, which will include the implementation of appropriate processes and controls to remediate the material weakness described above. While we work towards the design and implementation of these processes and controls, we may rely significantly on manual procedures to assist us with meeting the objectives otherwise fulfilled by an effective control environment. The implementation of new procedures and controls could be costly and distract management from other activities. Prior to the complete remediation of this material weakness, there remains a risk that the transitional controls on which we currently rely will fail to be sufficiently effective, which could result in errors in our consolidated financial statements. If the new controls being implemented to address the material weakness and to strengthen the overall internal control are not designed or do not operate effectively, if we are unsuccessful in implementing or following these new processes or if we are otherwise unable to remediate this material weakness, it may result in untimely or inaccurate reporting of our financial condition or results of operations.

In addition, our management's review and evaluation of the sufficiency of our internal controls may not discover additional weaknesses in our internal control over financial reporting in the future. Any such additional weakness or failure to remediate the existing weakness could materially adversely affect our financial condition or ability to comply with applicable financial reporting requirements, which could result in violations of applicable securities laws and NASDAQ listing requirements, subject us to litigation and investigations, negatively affect investor confidence in our financial statements, and adversely impact our stock price and ability to access capital markets.

***Our ability to sell Medicare-related health insurance plans is largely dependent on our licensed health insurance agents.***

The success of our operations is largely dependent on our licensed health insurance agents, upon whom we rely to sell insurance. To sell Medicare-related health insurance plans, agents must be licensed by the states in which they are selling plans and certified and appointed with the health plan partner that offers the plans in each applicable state. Because a significant number of Medicare plans are sold in the fourth quarter each year during the Medicare annual enrollment period, we retain and train a significant number of additional employees in a limited period of time. We must also ensure that our agents are timely licensed in a significant number of states and certified and appointed with the health plan partners whose products we sell. We depend upon our employees, state departments of insurance and health plan partners for the licensing, certification and appointment of our agents. We may not be successful in timely hiring or sourcing enough additional agents or other employees needed to operate our business. Even if we are successful in hiring or sourcing a sufficient number of agents, we may experience temporary shortages of agents due to illness, poor weather conditions or other natural disasters, personal emergencies and other events outside our control.

Our success in recruiting highly skilled and qualified agents can depend on factors outside of our control, including the strength of the general economy and local employment markets and the availability of alternative forms of employment. As a result of the highly competitive labor market in the U.S., our cost to hire and retain agents has increased. During periods when we face challenges recruiting high-performing agents, we tend to experience higher turnover rates. The productivity of our agents is influenced by their average tenure. Without qualified individuals to serve in customer facing roles, we may produce less commission revenue, which could have a material adverse effect on our business, operating results and financial condition. Retaining tenured agents has a direct impact on our operating efficiency and, correspondingly, our financial results.

We have implemented a work from home program for our agents. It may be more difficult for us to manage and monitor our agents in remote settings and we may have to expend more management time and incur more costs to do so. Agents may also face additional distractions working from home that may prevent them from efficiently selling plans. If our agents are not able to

effectively work from home, we may not be able to sell as many plans, which would negatively impact our business, financial condition and results of operations.

***Operating and growing our business may require additional capital, and if capital is not available to us, our business, operating results and financial condition may suffer.***

Operating and growing our business is expected to require further investments in our business. We may be presented with opportunities that we want to pursue, and unforeseen challenges may present themselves, any of which could cause us to require additional capital. Our business model does not require us to hold a significant amount of cash and cash equivalents at any given time and if our cash needs exceed our expectations or we experience rapid growth, we could experience strain in our cash flow, which could adversely affect our operations in the event we were unable to obtain other sources of liquidity. If we seek to raise funds through equity or debt financing, those funds may prove to be unavailable, may only be available on terms that are not acceptable to us or may result in significant dilution to you or higher levels of leverage. If we are unable to obtain adequate financing or financing on terms satisfactory to us, when we require it, our ability to continue to pursue our business objectives and to respond to business opportunities, challenges or unforeseen circumstances could be significantly limited, and our business, operating results and financial condition could be materially and adversely affected.

***If we lose key management or fail to meet our need for qualified employees, our business, financial condition and results of operations could be materially adversely affected.***

We rely, in part, upon the accumulated knowledge, skills and experience of our executive officers. The loss of the services of any of our executive officers could have a material adverse effect on our business, financial condition and results of operations, as we may not be able to find suitable individuals to replace such officers on a timely basis or without incurring increased costs, or at all. We currently do not have any key man insurance covering our Chief Executive Officer. If our executive officers were to leave us or become incapacitated, it might negatively impact our planning and execution of business strategy and operations. We believe that our future success will depend on our continued ability to attract and retain highly skilled and qualified executive personnel for all areas of our organization, for which there is a high level of competition for such personnel in our industry. Our inability to meet our executive staffing requirements in the future could have a material adverse effect on our business, financial condition and results of operations.

Our future success is also dependent upon our ability to attract, retain and effectively deploy qualified employees. As a result of the highly competitive labor market in the U.S., we have needed to offer higher compensation and other benefits in order to attract and retain key personnel. To attract top talent, we must offer competitive compensation packages before we have the opportunity to validate the productivity and effectiveness of new employees. Additionally, we may not be able to hire new employees quickly enough, we may not have adequate resources to meet our hiring needs, and we may not effectively deploy our workforce in order to efficiently allocate our internal resources. Stock price fluctuations could impact the value of our equity compensation, which could affect our ability to recruit and retain employees. If we fail to meet our hiring needs, successfully integrate our new hires or effectively deploy our existing personnel, our efficiency and ability to meet our forecasts, our ability to successfully execute on our strategic plan to return to revenue growth and our employee morale, productivity and retention could all suffer. Any of these factors could materially adversely affect our business, operating results and financial condition.

***We currently depend on a small group of health plan partners for a substantial portion of our revenue, and further consolidation in the health insurance industry could exacerbate this risk.***

We derive a large portion of our revenue from a limited number of health plan partners. Health plans owned by Humana, Elevance, United and Centene accounted for approximately 26%, 23%, 18% and 11%, respectively, of net revenues for the twelve months ended December 31, 2022, approximately 28%, 22%, 16% and 17% respectively, of net revenues for the twelve months ended December 31, 2021, and approximately 40%, 29%, 13% and 9% respectively, of net revenues for the twelve months ended December 31, 2020.

The health insurance industry in the United States has experienced a substantial amount of consolidation, resulting in a decrease in the number of health plan partners. Further consolidation in the health insurance industry, particularly involving one of our key health plan partners, could cause a loss of, or changes in, our relationship with that health plan partner and may reduce our commission or other revenue from that health plan partner. In the future, due to this consolidation, we may be forced to offer health insurance from a reduced number of health plan partners or to derive a greater portion of our revenue from a more concentrated number of health plan partners as our business and the health insurance industry evolve.

Our agreements with health plan partners to sell policies are typically terminable by our health plan partners without cause. Should we become dependent on fewer health plan partner relationships (whether as a result of the termination of health plan partner relationships, health plan partner consolidation or otherwise), we may become more vulnerable to adverse changes in our relationships with health plan partners, particularly in states where we distribute insurance from a relatively smaller number of health plan partners or where a small number of health plan partners dominate the market, and our business, operating results and financial condition could be harmed.

Additionally, mergers among health plan partners or an acquisition of one health plan partner by another health plan partner may trigger changes to our agreements with such health plan partners. For example, health plan partners may unilaterally amend or terminate our agreements on short notice, which could adversely impact or terminate the commission payments that we receive from these health plan partners. Our revenue could be adversely impacted if we are unable to maintain currently existing levels of business with any of our significant health plan partners or if we are unable to offset any loss of business with alternative health plan partners. We expect that a small number of health plan partners will account for a significant portion of our revenue for the foreseeable future and any impairment of our relationship with, or the material financial impairment of, these health plan partners could adversely affect our business, operating results and financial condition.

***Changes and developments in the health insurance system and laws and regulations governing the health insurance markets in the United States could materially adversely affect our business, operating results, financial condition and qualified prospects.***

Our business depends upon the public and private sector of the U.S. insurance system, which is subject to a changing regulatory environment. Accordingly, the future financial performance of our business will depend in part on our ability to adapt to regulatory developments, including changes in laws and regulations or changes to interpretations of such laws or regulations, especially laws and regulations governing Medicare. For example, the ACA substantially changed the way healthcare is financed by both commercial and government payers and contains a number of provisions that impact our business and operations, including the expansion of Medicaid eligibility to additional categories of individuals. Since its enactment, there have been judicial and Congressional challenges to certain aspects of the ACA, and the potential remains for additional challenges and amendments to the ACA in the future. In addition, changes to the Medicare marketing standards were finalized for the 2022 coverage year, with additional regulatory standards proposed for the 2024 coverage year that have had and will continue to have an impact on our business.

For instance, some health plan partners compensate us for marketing services, consistent with CMS regulations. If regulatory developments limit or remove the ability for health plan partners to compensate us through these funds, or the government determines that our arrangements do not meet the regulatory requirements, the compensation we receive from health plan partners would decline, which would materially and adversely impact our business, operating results and financial condition.

Various aspects of healthcare reform could also cause health plan partners to discontinue certain health insurance products or prohibit us from distributing certain health insurance products in particular jurisdictions. We rely heavily on SNPs during the special enrollment periods, which allows us to utilize our agents throughout the year. If states adopt new laws and regulations or modify the existing laws and regulations governing Medicaid, such changes could decrease the number of individuals eligible for Dual Eligible Special Needs Plans, which could have a material adverse impact on our business, operating results and financial condition. Our business, operating results, financial condition and prospects may be materially and adversely affected if we are unable to adapt to developments in healthcare reform in the United States.

***We rely on health plan partners to prepare accurate commission reports and send them to us in a timely manner.***

Our health plan partners typically pay us a specified percentage of the premium amount collected by the health plan partner or a flat rate per policy during the period that a consumer maintains coverage under a policy. We rely on health plan partners to report the amount of commissions we earn accurately and on time. We use health plan partners' commission reports to calculate our revenue, prepare our financial reports, projections, and budgets and direct our marketing and other operating efforts. It is often difficult for us to independently determine whether health plan partners are reporting all commissions due to us, primarily because the majority of the purchasers of our insurance products who terminate their policies do so by discontinuing their premium payments to the health plan partner instead of informing us of the cancellation. For example, there have been instances where we have determined that policy cancellation data reported to us by a health plan partners has not been accurate. To the extent that health plan partners inaccurately or belatedly report the amount of commissions due to us, we may not be able to collect and recognize revenue to which we are entitled, which would harm our business, operating results and financial condition. In addition, the technological connections of our systems with the health plan partners' systems that provide us up-to-date information about coverage and commissions could fail or health plan partners could cease providing us with access to this information, which could impede our ability to compile our operating results in a timely manner.

***Our quarterly results of operations may fluctuate significantly due to seasonality.***

The Medicare annual enrollment period occurs from October 15<sup>th</sup> to December 7<sup>th</sup> each year. As a result, we experience an increase in the number of submitted Medicare-related applications during the fourth quarter and an increase in expense related to the Medicare segments during the third and fourth quarters. Additionally, as a result of the annual Medicare Advantage open enrollment period that occurs from January 1<sup>st</sup> to March 31<sup>st</sup>, commission revenue and Encompass revenue are typically second-highest in our first quarter. The individual and family health insurance open enrollment period runs from November 1<sup>st</sup> through December 15<sup>th</sup> of each year for most states, and we expect the number of approved applications for individual and family health insurance to be higher in the fourth quarter compared to other quarters of the year as a result. A significant portion of our marketing and advertising expenses is driven by the number of health insurance applications submitted through us. Marketing and advertising expenses are generally higher in the fourth quarter during the Medicare annual enrollment period, but because commissions from approved customers are paid to us over time, our operating cash flows could be adversely impacted by a



substantial increase in marketing and advertising expense as a result of a higher volume of applications submitted during the fourth quarter or positively impacted by a substantial decline in marketing and advertising expenses as a result of lower volume of applications submitted during the fourth quarter.

The seasonality of our business could change in the future due to other factors, including as a result of changes in timing of the Medicare or individual and family health plan enrollment periods and changes in the laws and regulations that govern the sale of health insurance. We may not be able to timely adjust to changes in the seasonality of our business. If the timing of the enrollment periods for Medicare-related health insurance or individual and family health insurance changes, we may not be able to timely adapt to changes in customer demand. If we are not successful in responding to changes in the seasonality of our business, our business, operating results and financial condition could be harmed.

***System failures or capacity constraints could harm our business, financial condition and operating results.***

The performance, reliability and availability of our technology platform and underlying network infrastructures are critical to our financial results, our brand and our relationship with customers, marketing partners and health plan partners. Our attempts to enhance our technology platform and system infrastructure may not prevent system failures and interruptions, especially if we are unable to accurately project the rate or timing of increases in our website traffic or inbound call volume or for other reasons, some of which are completely outside our control. Additionally, we are also reliant on the systems of our health plan partners to submit plan enrollment applications from potential customers. We have in the past, and could in the future, experience significant failures and interruptions of our systems and the systems of our health plan partners, which would harm our business, operating results and financial condition. If these failures or interruptions occurred during the Medicare annual enrollment period or during the open enrollment period under healthcare reform, the negative impact on us would be particularly pronounced.

We rely in part upon third-party vendors, including data center and bandwidth providers, to operate our technology platform. We cannot predict whether additional network capacity will be available from these vendors as we need it, and our network or our suppliers' networks might be unable to achieve or maintain a sufficiently high capacity of data transmission to allow us to process health insurance applications in a timely manner or effectively download data, especially if our website traffic increases. For example, a rapid expansion of our business could affect the service levels at our data centers or cause such data centers and systems to fail. Any system failure or service level reduction that causes an interruption to, or decreases the responsiveness of, our services would impair our revenue-generating capabilities and damage our reputation. In addition, any loss of data could result in loss of customers and subject us to potential liability. Our databases and systems are vulnerable to damage or interruption from human error, fire, floods, power loss, telecommunications failures, physical or electronic break-ins, computer viruses, acts of terrorism, other attempts to harm our systems and similar events. In addition, our operations are vulnerable to earthquakes, fires, severe weather, pandemics and other natural disasters in parts of the world where we, our agents and vendors operate. Global climate change is resulting in certain types of natural disasters occurring more frequently or with more intense effects.

The owners of our data center facilities and our other third-party vendors have no obligation to renew their agreements with us on commercially reasonable terms, or at all. If we are unable to renew these agreements on commercially reasonable terms, or if one of our data center operators is acquired, we may be required to transfer our servers and other infrastructure to new data center facilities, and we may incur significant costs and possible service interruption in connection with doing so. Problems faced by our third-party data center locations with the telecommunications network providers with whom we or they contract, or with the systems by which our telecommunications providers allocate capacity among their clients, including us, could adversely affect the experience of our clients and consumers. Our third-party data center operators could decide to close their facilities without adequate notice. In addition, any financial difficulties, such as bankruptcy, faced by our third-party data centers, operators or any of the service providers with whom we or they contract may have negative effects on our business, the nature and extent of which are difficult to predict.

***We may not realize the benefits we expect from our strategic cash flow optimization and other cash management initiatives.***

We are pursuing initiatives to reduce costs, increase effectiveness, and optimize cash flow. As part of those initiatives, in August 2022, we began the implementation of a reduction in force that reduced the number of our employees by approximately 23.7%. The workforce reduction may result and has resulted in the loss of institutional knowledge and expertise and the reallocation and combination of certain roles and responsibilities across the organization, all of which could adversely affect our business, financial condition and results of operations. Further, the restructuring and possible additional cost containment measures may yield unintended consequences, such as attrition beyond our intended workforce reduction and reduced employee morale. Going forward, we also intend to focus our efforts on a reduction in infrastructure costs, including with respect to our technology platform and underlying network infrastructures, which may have a negative impact on our business. We may not realize all of the anticipated cost savings or other benefits from such initiatives and the initiatives may have other effects, such as a reduction in revenue. Other events and circumstances, such as financial or strategic difficulties, delays, or unexpected costs, may also adversely impact our ability to realize all of the anticipated cost savings or other benefits, or cause us not to realize such cost savings or other benefits on the expected timetable. If we are unable to realize the anticipated benefits, our ability to fund other initiatives may be adversely affected. Finally, the complexity of the implementation of the initiatives may require a substantial amount of management and operational resources. Our management team must successfully execute the administrative and operational changes necessary to achieve the anticipated benefits of the initiatives. These and related demands on our

resources may divert the organization's attention from other business issues, have adverse effects on existing business relationships with suppliers and customers, and impact employee morale. Any failure to implement these initiatives in accordance with our plans could adversely affect our business, financial condition or results of operations.

***Pressure from existing and new competitors may adversely affect our business, operating results and financial condition.***

The market for selling health insurance plans is highly competitive. We compete with government provided tools and exchanges, local insurance agents throughout the United States, companies that advertise primarily through television, and companies that operate websites to provide services. In addition, many health plan partners also directly market and sell their own plans. Some of these competitors may be able to spend more on marketing campaigns, devote more resources to website and system developments, make more attractive offers to potential employees, and partner with more successful marketing partners and third-party providers.

In order to remain competitive against current and potential competitors, we must operate effectively and efficiently, continue to develop and improve our services and offerings and enhance our platform and system offerings. If we cannot successfully navigate this intense competitive market, it may negatively impact our business, operating results and financial condition.

In addition, new competitors may enter the market for the distribution of insurance products with competing insurance platforms, which could have an adverse effect on our business, operating results and financial condition. Our competitors could significantly impede our ability to maintain or increase the number of policies sold through our platform and may develop and market new technologies that render our platform less competitive or obsolete. In addition, if our competitors develop platforms with similar or superior functionality to ours and we are not able to produce certain volumes for our health plan partners, we may see a reduction in our marketing payments, our revenue would likely be reduced and our business, operating results and financial condition would be adversely affected.

***If we do not successfully compete with government-run health insurance exchanges, our business may be harmed.***

Our business competes with government-run health insurance exchanges with respect to our sale of Medicare-related health insurance and individual and family plans. Consumers can shop for and purchase Medicare Advantage and Medicare Part D Prescription Drug plans through a website operated by the federal government and can also obtain plan selection assistance from the federal government in connection with their purchase of a Medicare Advantage and Medicare Part D Prescription Drug plan. Competition from government-run health insurance exchanges could increase our marketing costs, reduce our revenue and could otherwise harm our business, operating results and financial condition.

***If we fail to comply with certain healthcare and consumer protection laws, including fraud and abuse laws, we could face substantial penalties and our business, results of operations and financial condition could be adversely affected.***

Our arrangements with health plan partners, particularly those that contract with federal healthcare programs, are highly regulated and subject us to broadly applicable federal and state fraud and abuse and other federal and state healthcare and consumer protection laws and regulations. These laws may constrain the business or financial arrangements and relationships through which we conduct our operations, including the following:

- the federal Anti-Kickback Statute, which prohibits, among other things, any person or entity from knowingly and willfully soliciting, receiving, offering or paying any remuneration, directly or indirectly, overtly or covertly, in cash or in kind, to induce or reward either the referral of an individual for, or the purchase, order or recommendation of an item or service reimbursable, in whole or in part, under a federal healthcare program, such as the Medicare and Medicaid programs. The term "remuneration" has been broadly interpreted to include anything of value. There are a number of statutory exceptions and regulatory safe harbors protecting some common activities from prosecution; however, these are drawn narrowly and require strict compliance in order to offer protection. Additionally, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation;
- the federal False Claims Act, which, among other things, imposes criminal and civil penalties against individuals or entities for knowingly presenting, or causing to be presented, to the federal government, claims for payment or approval that are false or fraudulent, knowingly making, using or causing to be made or used, a false record or statement material to a false or fraudulent claim, or from knowingly making or causing to be made a false statement to avoid, decrease or conceal an obligation to pay money to the federal government. The False Claims Act can be enforced by private citizens through civil qui tam actions. A claim includes "any request or demand" for money or property presented to the U.S. government;
- the federal Civil Monetary Penalties law, which prohibits, among other things, offering or transferring remuneration to a federal healthcare beneficiary that a person knows or should know is likely to influence the beneficiary's decision to order or receive items or services reimbursable by the government from a particular provider or supplier;
- The Health Insurance Portability and Accountability Act, or HIPAA, which created additional federal criminal statutes that prohibit, among other things, knowingly and willfully executing, or attempting to execute, a scheme to defraud or to obtain, by means of false or fraudulent pretenses, representations or promises, any money or property owned by, or under the control or custody of, any healthcare benefit program, including private third-party payers, willingly obstructing

a criminal investigation of a healthcare offense, and knowingly and willfully falsifying, concealing or covering up by trick, scheme or device, a material fact or making any materially false, fictitious or fraudulent statement in connection with the delivery of or payment for healthcare benefits, items or services. Like the federal Anti-Kickback Statute, a person or entity need not have actual knowledge of the statute or specific intent to violate it in order to have committed a violation;

- the CAN-SPAM Act, which regulates commercial e-mail messages and specifies penalties for the transmission of commercial e-mail messages that do not comply with certain requirements, such as providing an opt-out mechanism for stopping future e-mails from senders;
- the TCPA, which prohibits us from using an automatic telephone dialing system to make certain telephone calls or transmit text messages to wireless telephone numbers without prior express consent or without consulting the Federal Trade Commission's, or FTC, national "Do Not Call" registry. We have in the past and may in the future become subject to claims that we have violated the TCPA and/or other telemarketing laws. The TCPA provides for private rights of action and potential statutory damages for each violation and additional penalties for each willful violation; and
- analogous state and foreign laws and regulations, such as state anti-kickback and false claims laws, which may be more restrictive and may apply to healthcare items or services reimbursed by non-governmental third-party payers, including private insurers, or by the patients themselves.

Ensuring business arrangements with third parties comply with applicable healthcare laws and regulations is a costly endeavor. If our operations are found to be in violation of any of the federal and state healthcare laws described above or any other current or future governmental regulations that apply to us, we may be subject to penalties, including without limitation, civil, criminal and/or administrative penalties, damages, fines, disgorgement, individual imprisonment, exclusion from participation in government programs, such as Medicare and Medicaid, injunctions, private "qui tam" actions brought by individual whistleblowers in the name of the government, or refusal to allow us to enter into government contracts, contractual damages, reputational harm, administrative burdens, diminished profits and future earnings, additional reporting obligations and oversight if we become subject to a corporate integrity agreement or other agreement to resolve allegations of non-compliance with these laws, and the curtailment or restructuring of our operations, any of which could adversely affect our ability to operate our business and our results of operations.

***We operate in a complex state regulatory environment that is constantly changing. If we fail to comply with the numerous state laws and regulations that are applicable to the sale of health insurance, our business, operating results and financial condition could be harmed.***

The offer, sale and purchase of health insurance is heavily regulated by various states and the regulatory landscape is constantly changing. States have adopted and will continue to adopt new laws and regulations, and it is difficult to predict how these new laws and regulations will impact our business. These rules and regulations could adversely impact our business because health plan partners may exit the market of selling such plans due to regulatory concerns, determine it is not profitable to sell the plans or increase plan premiums to a degree that reduces customer demand for them.

Additionally, a long-standing provision in almost all states' laws provides that once health insurance premiums are set by the health plan partner and approved by state regulators, they are fixed and not generally subject to negotiation or discounting by insurance companies or agents. State regulations generally prohibit health plan partners, agents and brokers from providing financial incentives, such as rebates, to their customers in connection with the sale of health insurance. As a result, we do not currently compete with health plan partners or other agents and brokers on the price of the health insurance plans offered on our website. If these regulations change, we could be forced to reduce prices or provide rebates or other incentives for the health insurance plans sold through our technology platform, which would harm our business, operating results and financial condition. Although commissions do not currently have to be disclosed to the public, if commissions become more regulated and commissions paid to us have to be disclosed, it is possible that health plan partners may lower our commission rates, which could reduce our revenue.

State regulators require us to maintain a valid license in each state in which we transact health insurance business and further require that we adhere to sales, documentation and administration practices specific to that state. We must maintain our health insurance licenses to continue selling plans and to continue to receive commissions from health plan partners. In addition, each employee who transacts health insurance business on our behalf must maintain a valid license in one or more states. Because we do business in all 50 states and the District of Columbia, compliance with health insurance-related laws, rules and regulations is difficult and imposes significant costs on our business.

In addition, we must ensure that our agents have received and maintain all licenses, appointments and certifications required by state authorities and our health plan partners in order to transact business.

Due to the complexity, periodic modification and differing interpretations of state insurance laws and regulations, we may not have always been, and we may not always be, in compliance with them. New state insurance laws, regulations and guidelines also may not be compatible with the sale of health insurance over the Internet or with various aspects of our platform or manner of marketing or selling health insurance plans. Failure to comply with insurance laws, regulations and guidelines or other laws and regulations applicable to our business could result in significant liability, additional department of insurance licensing requirements, required modification of our advertising and business practices, the revocation of our licenses in a particular jurisdiction, termination of our relationship with health plan partners, loss of commissions and/or our inability to sell health

insurance plans, which could significantly increase our operating expenses, result in the loss of health plan partner relationships and our commission revenue and otherwise harm our business, operating results and financial condition. Moreover, an adverse regulatory action in one jurisdiction could result in penalties and adversely affect our license status, business or reputation in other jurisdictions due to certain requirements that dictate adverse regulatory actions in one jurisdiction be reported to other jurisdictions. We have received, and may in the future receive, inquiries from regulators regarding our marketing and business practices and compliance with laws and regulations. We may be required to modify our practices in connection with the inquiries. Failure to adequately respond to such inquiries could result in adverse regulatory action that could harm our business, operating results and financial condition. Even if the allegations in any regulatory or other action against us are proven false, any surrounding negative publicity could harm consumer, marketing partner or health plan partner confidence in us, which could significantly damage our brand.

***If we are not successful in cost-effectively converting consumer leads into customers for which we receive commissions, our business, operating results and financial condition would be harmed.***

Obtaining quality consumer leads is important to our business, but our ability to convert these consumer leads to customers is also a key to our success. Our growth depends in large part upon growth in Submissions in a given period. The rate at which we grow our Submissions directly impacts our revenue. In addition, the rate at which qualified prospects turn into commissionable Submissions impacts the expected LTV of our customers, which impacts the revenue that we are able to recognize. A number of factors have influenced, and could in the future influence, these conversion rates for any given period, some of which are outside of our control. These factors include:

- changes in customer shopping behavior due to circumstances outside of our control, such as economic conditions, customers' ability or willingness to pay for health insurance, adverse weather conditions or natural disasters, the effects of pandemics, such as COVID-19, availability of unemployment benefits or proposed or enacted legislative or regulatory changes impacting our business, including healthcare reform;
- the quality of, and changes to, the customer experience on our platform;
- regulatory requirements, including those that make the experience on our platform cumbersome or difficult to navigate or reduce the ability of customers to purchase plans outside of enrollment periods;
- the variety, competitiveness and affordability of the health insurance plans that we offer;
- system failures or interruptions in the operation of our technology platform or call center operations;
- changes in the mix of customers who are referred to us through our direct, marketing partner and online advertising customer acquisition channels;
- health plan partners offering health insurance plans for which customers have expressed interest, and the degree to which our technology is integrated with those health plan partners;
- health plan partner guidelines applicable to applications submitted by customers, the amount of time a health plan partner takes to make a decision on that application and the percentage of submitted applications approved by health plan partners;
- the effectiveness of agents in assisting customers; and
- our ability to enroll subsidy-eligible individuals in qualified health plans through government-run health insurance exchanges and the efficacy of the process we are required to use to do so.

Our conversion rates can be impacted by changes in the mix of customers referred to us through our customer acquisition channels. We may make changes to our technology platform in response to regulatory requirements or undertake other initiatives in an attempt to improve the customer experience or for other reasons. These changes have in the past, and may in the future have the unintended consequence of adversely impacting our conversion rates. A decline in the percentage of consumers who submit health insurance applications on our platform and are converted into approved customers could cause an increase in our Cost of Submission and impact our revenue in any given period. To the extent our conversion rate suffers, our customer base may decline, which would harm our business, operating results and financial condition.

***We receive commission payments from health plan partners over time, but incur significant upfront expenses to enroll customers.***

The enrollment of consumers on our platform requires significant upfront expenses, including marketing and advertising expenses and customer care and enrollment expenses, in order to generate qualified prospects, educate and enroll those consumers in our products and plans, and submit completed applications to health plan partners. However, the resulting commissions are generally paid to us over time, with the first payments often several weeks or months after we submit completed applications to our health plan partners. These factors cause us to require significant cash to fund our working capital needs, and our operating cash flows could be adversely impacted by a substantial increase in the volume of applications submitted by us.

***If we are unable to maintain effective relationships with our existing third-party marketing companies or if we do not establish successful relationships with new marketing companies, our business, operating results and financial condition could be harmed.***

We frequently enter into contractual marketing relationships with online and offline businesses that help us acquire consumer leads. These marketing partners include television advertisers, online advertising companies, call referral programs, and other marketing vendors. We compensate some marketing companies on a fee-per-service model and some on a submitted health insurance application basis. The success of our relationship with each marketing company is dependent on a number of factors, including but not limited to: the continued positive market presence, reputation and growth of the marketing company, the effectiveness of the marketing company's advertisements, the compliance of each marketing company with applicable laws, regulations and guidelines and the contractual terms we negotiate with the marketing company, including the marketing fees we agree to pay.

While we have relationships with a large number of marketing companies, we depend upon services and/or referrals from only a limited number for a significant portion of the submitted applications we receive. Given our reliance on various marketing companies, our business operating results and financial condition would be harmed if (i) we are unable to maintain successful relationships with these companies; (ii) we fail to establish successful relationships with new marketing companies; (iii) we experience competition in our provision of services from key marketing companies; and (iv) if we are required to pay increased amounts to these marketing companies.

Competition for referrals from third-party lead referral companies has increased, particularly during the enrollment periods for Medicare-related health insurance and individual and family health insurance. We may lose referrals if our competitors pay these companies more than we do or be forced to pay increased fees, which could harm our business, operating results and financial condition. In addition, the promulgation of laws, regulations or guidelines, or the interpretation of existing laws, regulations and guidelines, by state departments of insurance or by CMS, could cause our relationships with third-party referral companies to be in non-compliance with those laws, regulations and guidelines. If CMS or state departments of insurance were to change existing laws, regulations or guidelines, or interpret existing laws, regulations or guidelines, to prohibit these arrangements, we could experience a significant decline in the number of Medicare-eligible individuals who are referred to our platforms and Benefits Center, which would harm our business, operating results and financial condition.

***We are subject to privacy and data protection laws governing the transmission, security and privacy of personal information, particularly individually identifiable health information, which may impose restrictions on the manner in which we process such information and subject us to enforcement and penalties if we are unable to fully comply with such laws.***

Numerous federal, state and international laws and regulations govern the collection, use, disclosure, storage, processing, transmission and destruction of personal information, including individually identifiable health information. These laws and regulations, including their interpretation by governmental agencies and regulators, are subject to frequent change. These regulations could have a negative impact on our business, for example:

- HIPAA and its implementing regulations were enacted to ensure that employees can retain and at times transfer their health insurance when they change jobs, and to simplify healthcare administrative processes. The enactment of HIPAA also expanded protection of the privacy and security of protected health information and required the adoption of standards for the exchange of electronic health information. Among the standards that the Department of Health and Human Services has adopted pursuant to HIPAA are standards for electronic transactions and code sets, unique identifiers for providers, employers, health plans and individuals, security, electronic signatures, privacy and enforcement. Failure to comply with HIPAA could result in enforcement activity, fines, penalties and litigation that could have a material adverse effect on us;
- The Health Information Technology for Economic and Clinical Health Act ("HITECH Act") sets forth health information security breach notification requirements and increased penalties for violation of HIPAA. The HITECH Act requires individual notification for all breaches, media notification of breaches of over 500 individuals and at least annual reporting of all breaches to the Department of Health and Human Services. The HITECH Act also replaced the prior penalty system with a four-tier system of sanctions for breaches ranging from the original \$100 per violation and an annual maximum of \$25,000 for the first tier to a fourth-tier minimum of \$50,000 per violation and an annual maximum of \$1.5 million per violation category. These penalties are required to be adjusted for inflation. Failure to comply with the HITECH Act could result in enforcement activity, fines, penalties and litigation that could have a material adverse effect on us;
- Other federal and state laws restricting the use and protecting the privacy and security of individually identifiable information may apply, many of which are not preempted by HIPAA; and
- Federal and state consumer protection laws are increasingly being applied by the FTC and states' attorneys general to regulate the collection, use, processing, destruction, storage and disclosure of individually identifiable information, through websites or otherwise, and to regulate the presentation of website content.

We are required to comply with federal and state laws governing the transmission, security and privacy of personal information that we may obtain or have access to in connection with the provision of our services. Our facilities and systems, and those of our third-party vendors and subcontractors, are vulnerable to security breaches, acts of vandalism or theft, computer viruses, malware, ransomware, denial-of-service attacks, misplaced or lost data, programming and human errors or other similar events. Due to the enactment of the HITECH Act, we are not able to predict the extent of the impact such incidents may have on our business. Our failure to comply may result in criminal and civil liability especially because the potential for enforcement action

against business associates is now greater. Enforcement actions against us could be costly and could interrupt regular operations or the availability of data, which may adversely affect our business.

Under the HITECH Act, as a business associate we may also be directly or independently liable for privacy and security breaches and failures of our subcontractors. We have limited control over their actions and practices, and a breach of privacy or security of individually identifiable health information by a subcontractor or other entity operating on our behalf may result in an enforcement action, including criminal and civil liability, against us or litigation by a covered entity with whom we have a contractual relationship. In addition, numerous other federal and state laws protect the confidentiality of individually identifiable information as well as employee personal information, including state medical privacy laws, state social security number protection laws, and federal and state consumer protection laws. These various laws in many cases are not preempted by HIPAA and may be subject to varying interpretations by the courts and government agencies, creating complex compliance issues for us and our customers and potentially exposing us to additional expense, adverse publicity and liability, any of which could adversely affect our business, operating results and financial condition.

State and federal laws may apply to our collection, use, handling, processing, destruction, disclosure, and storage as well. For example, the CCPA, which became enforceable by the California Attorney General on July 1, 2020, affords consumers expanded privacy protections and control over the collection, use and sharing of their personal information. The CCPA was recently amended, and it is possible it will be amended again by other pending legislative initiatives or by popular referendum. The Attorney General of California is promulgating implementing CCPA regulations which are undergoing successive rounds of public comment and revision. The potential effects of this legislation, including whether and how the law will be applied to the consumer health-related data we collect through our service, are far-reaching and may require us to modify our data processing practices and policies and to incur substantial costs and expenses in an effort to comply. The CCPA gives California residents expanded rights to access and require deletion of their personal information, opt out of certain personal information sharing and receive detailed information about how their personal information is used. The CCPA also provides for civil penalties for violations, as well as a private right of action for data breaches that may increase data breach litigation. The CCPA does contain an exemption for medical information governed by the California Confidentiality of Medical Information Act ("CMIA"), and for protected health information collected by a covered entity or business associate governed by the privacy, security and breach notification rule established pursuant to HIPAA and HITECH, but the precise application and scope of this exemption as well as how it would apply to our business is not yet clear. The CCPA also has encouraged "copycat" legislative proposals in other states across the country such as Nevada, Virginia, New Hampshire, Illinois and Nebraska.

The NYDFS Cybersecurity Regulation for financial services companies, including insurance entities under NYDFS jurisdiction, requires entities to establish and maintain a cybersecurity program designed to protect private consumer data, and implement a risk assessment designed to perform core cybersecurity functions. The regulation specifically provides for: (i) controls relating to the governance framework for a cybersecurity program; (ii) risk-based minimum standards for technology systems for data protection; (iii) minimum standards for cyber breach responses, including notice to the NYDFS, of material events; and (iv) identification and documentation of material deficiencies, remediation plans and annual certification of regulatory compliance with the NYDFS. The Cybersecurity Regulation also requires implementation of continuous monitoring of information technology systems or periodic penetration testing and vulnerability assessments. Similarly, the Massachusetts data protection law and the New York Stop Hacks and Improve Data Security Act ("SHIELD Act") both require companies to implement a written information security program that contains appropriate administrative, technical, and physical safeguards as defined in the respective statute.

In October 2017, the NAIC adopted the Insurance Data Security Model Law ("Cybersecurity Model Law"), which is intended to establish the standards for data security and for the investigation and notification of data breaches applicable to insurance licensees in states adopting such law. To date, the Cybersecurity Model Law has been adopted by Alabama, Connecticut, Delaware, Michigan, Mississippi, New Hampshire, Ohio and South Carolina, with several other states expected to adopt in the near future. The Cybersecurity Model Law could impose significant new regulatory burdens intended to protect the confidentiality, integrity and availability of information systems. The NAIC model law is functionally similar to the NYDFS rule.

We are subject to these and other complex and evolving federal, state and local laws and regulations regarding privacy, data protection and other matters. Many of these laws and regulations are subject to change and uncertain interpretation. The U.S. federal and state governments and agencies may in the future enact new legislation and promulgate new regulations governing collection, use, disclosure, storage, processing, transmission and destruction of personal information and other data. Compliance with existing and emerging privacy and cybersecurity laws and regulations could result in increased compliance costs and/or lead to changes in business practices and policies. In addition, any failure or perceived failure by us to maintain posted privacy policies which are accurate, comprehensive and fully implemented, and any violation or perceived violation of our privacy-, data protection- or information security-related obligations to customers, users or other third parties or any of our other legal obligations relating to privacy, data protection or information security may result in governmental investigations or enforcement actions, litigation, claims or public statements against us by consumer advocacy groups or others, and could result in significant liability, loss of relationships with key third parties including health plan partners, social media networks and other data providers, or cause our consumers to lose trust in us, which could have material impacts on our revenue and operations.

***Risks from third-party products could adversely affect our businesses.***

We offer third-party products, including health insurance products. Insurance involves a transfer of risk and our reputation may be harmed and we may become a target for litigation if risk is not transferred in the way expected by customers and health plan partners. In addition, if these third party products do not provide the quality of service our customers expect, customers may correlate the negative experience with our service. Significant declines in the performance of these third-party products could subject us to reputational damage and litigation risk.

***If we are unable to develop new product and service offerings and expand our business scope to penetrate new markets and opportunities, our business, operating results and financial condition would be harmed.***

Our business strategy includes expanding our existing products and services. We are investing in new opportunities to broaden our business scope to penetrate new markets and opportunities. However, we may not be able to execute on all of these investments. We may be limited by current or future laws, regulations and guidelines, health plan partners may not embrace these investments, and customers may not appreciate these products and services. In addition, these investments often rely upon appropriate and effective relationships with third parties and we may not find suitable partners. Failure to develop new and successful product and service offerings may hinder our growth potential and adversely affect our business, operating results and financial condition.

***Our international operations subject us to additional risks which could have an adverse effect on our business, operating results and financial condition.***

We have attempted to control our operating expenses by utilizing lower cost labor in foreign countries such as Slovakia and Honduras and we may in the future expand our reliance on offshore labor to other countries. As of December 31, 2022, 104 of our employees were based in Slovakia. Our employees in Slovakia help develop, test and maintain our Marketplace technology. Additionally, we outsource certain of our call center operations to a company in Honduras. Countries outside of the United States may be subject to relatively higher degrees of political and social instability and may lack the infrastructure to withstand political unrest or natural disasters. The occurrence of natural disasters, pandemics, such as COVID-19, or political or economic instability in these countries could interfere with work performed by these labor sources or could result in our having to replace or reduce these labor sources. Our vendors in other countries could potentially shut down suddenly for any reason, including financial problems or personnel issues. Such disruptions could decrease efficiency, increase our costs and have an adverse effect on our business or results of operations. For example, following Russia's military invasion of Ukraine in February 2022, NATO deployed additional military forces to Eastern Europe, and the United States, European Union, and other nations announced various sanctions against Russia. The invasion of Ukraine and the retaliatory measures that have been taken, and could be taken in future, by the U.S., NATO, and other countries have created global security concerns that could result in a regional conflict and otherwise have a lasting impact on regional and global economies, any or all of which could adversely affect our business.

The practice of utilizing labor based in foreign countries has come under increased scrutiny in the United States. Governmental authorities, including CMS, could seek to impose financial costs or restrictions on foreign companies providing services to customers or companies in the United States. Governmental authorities may attempt to prohibit or otherwise discourage us from sourcing services from offshore labor. In addition, health plan partners may require us to use labor based in the United States for regulatory or other reasons. To the extent that we are required to use labor based in the United States, we may face increased costs as a result of higher-priced United States-based labor.

The Foreign Corrupt Practices Act ("FCPA"), and other applicable anti-corruption laws and regulations prohibit certain types of payments by our employees, vendors and agents. Any violation of the applicable anti-corruption laws or regulations by us, our subsidiaries or our local agents could expose us to significant penalties, fines, settlements, costs and consent orders that may curtail or restrict our business as it is currently conducted and could have an adverse effect on our business, financial condition or results of operations.

***If we are not able to maintain and enhance our brand, our business and operating results will be harmed. Damage to our reputation and negative publicity could have a material adverse effect on our business, financial condition and results of operations.***

We believe that maintaining and enhancing our brand identity is critical to our relationships with our existing health plan partners and to our ability to attract new customers, marketing partners and health plan partners. We also intend to grow our brand awareness among consumers, marketing partners and health plan partners in order to further expand our marketplace and attract new consumers, marketing partners and health plan partners. The promotion of our brand in these and other ways may require us to make substantial investments and we anticipate that, as our market becomes increasingly competitive, these branding initiatives may become increasingly difficult and expensive. Our brand promotion activities may not be successful or yield increased revenue, and to the extent that these activities yield increased revenue, the increased revenue may not offset the expenses we incur and our operating results could be harmed. If we do not successfully maintain and enhance our brand, our business may not grow and we could lose our relationships with health plan partners, marketing partners or customers, which would harm our business, operating results and financial condition.

We may be adversely affected by negative publicity relating to brand and activities. For instance, if our brand receives negative publicity, the number of customers visiting our platforms or Benefits Center could decrease, and our cost of acquiring customers could increase as a result of a reduction in the number of consumers coming from our direct customer acquisition channel. Additionally, there is at least one other third party business which uses the “GoHealth” name, but is not affiliated with our business. While we agreed with the third party that our “GoHealth” marks can coexist with the third party’s use of “GoHealth” in their business without creating a likelihood of consumer confusion, we entered into a co-existence agreement with the third-party that, among other things, places certain restrictions on both their use of “GoHealth,” as well as ours, in order to further mitigate any risk of confusion. Nevertheless, if our business is mistakenly confused with their business or another business, the value of our brand could be adversely impacted, which could harm our business, operating results and financial condition.

***Any legal liability, regulatory penalties, or negative publicity for the information on our website or that we otherwise provide could harm our business, operating results and financial condition.***

We provide information on our website, through our Benefits Center, in our marketing materials and in other ways regarding health insurance in general and the health insurance plans we market and sell, including information relating to insurance premiums, coverage, benefits, provider networks, exclusions, limitations, availability, plan comparisons and insurance company ratings. A significant amount of both automated and manual effort is required to maintain the considerable amount of insurance plan information on our website. If the information we provide on our website, through our Benefits Center, in our marketing materials or otherwise is not accurate or is construed as misleading, or if we do not properly assist individuals and businesses in purchasing health insurance, customers, health plan partners and others could attempt to hold us liable for damages, our relationships with health plan partners could be terminated or impaired and regulators could attempt to subject us to penalties, revoke our licenses to transact health insurance business in a particular jurisdiction, and/or compromise the status of our licenses to transact health insurance business in other jurisdictions, which could result in our loss of commission revenue. In the ordinary course of operating our business, we have received complaints that the information we provided was not accurate or was misleading. In the future, we may not be able to resolve these complaints without significant financial cost or impact to our brand or reputation. Our sales of individual and family plans that do not qualify as minimum essential coverage, thereby lacking the same benefits as major medical health insurance plans, may increase the risk that we receive complaints regarding our marketing and business practices due to the potential for customer confusion between such plans and major medical health insurance. These types of claims could be time-consuming and expensive to defend, could divert our management’s attention and other resources, and could cause a loss of confidence in our services. As a result, whether or not we are able to successfully resolve these claims, they could harm our business, operating results and financial condition.

In addition, if regulators believe our websites or marketing material are not compliant with applicable laws or regulations, we could be forced to stop using our websites, marketing material or certain aspects of them, which would harm our business, operating results and financial condition.

***We rely upon third parties to operate our Marketplace technology and any disruption of or interference with our use of such third-party providers would adversely affect our business, results of operations and financial condition.***

We outsource our hosting infrastructure to Amazon Web Services and Rackspace, or together, our Hosting Providers, which host our Marketplace technology. Consumers and agents must have the ability to access our Marketplace technology at any time, without interruption or degradation of performance. Our Hosting Providers run their own infrastructure upon which our Marketplace technology and products depend, and we are, therefore, vulnerable to service interruptions at each Hosting Provider. Though very rare, we have experienced, and expect that in the future we may experience, interruptions, delays and outages in service and availability from time to time due to a variety of factors, including infrastructure changes, human or software errors, application hosting disruptions and capacity constraints. Capacity constraints could be due to a number of potential causes including technical failures, natural disasters, fraud or security attacks. In addition, if our security, or that of one of our Hosting Providers, is compromised, our platform or products are unavailable or our users are unable to use our products within a reasonable amount of time or at all, then our business, results of operations and financial condition could be adversely affected. We note that our ability to conduct security audits on our Hosting Providers is limited; therefore, we rely heavily on third-party security reviews, such as the Statement on Standards for Attestation Engagements No. 16 (“SSAE 16”) assessments. Our contracts do not contain strong indemnification terms in our favor. In some instances, we may not be able to identify and/or remedy the cause or causes of these performance problems within a period of time acceptable to our customers. It may become increasingly difficult to maintain and improve our marketplace platform performance, especially during peak usage times, as our marketplace platform becomes more complex and the usage of the platform increases. To the extent we do not effectively address capacity constraints, either through our Hosting Providers or alternative providers of cloud infrastructure, our business, results of operations and financial condition may be adversely affected. In addition, any changes in service levels from our Hosting Providers may adversely affect our ability to meet our customers’ requirements.

The substantial majority of the services we use from our Hosting Providers are for cloud-based server capacity and managed colocation services. We access our Hosting Providers’ infrastructure through standard Internet connectivity. Our Hosting Providers provide us with computing and storage capacity, network capacity, managed colocation space, and leased computing hardware pursuant to agreements that continue until terminated by either party. If any of the data centers become unavailable to us without sufficient advance notice, we would likely experience delays in delivering our platform and products until we could migrate to an alternate data center provider. Our disaster recovery program contemplates transitioning our platform and products to our backup center in the event of a catastrophe, but we have not yet fully tested the procedure, and our platform and products



may be unavailable, in whole or in part, during any transition procedure. Although we expect that we could receive similar services from other third parties, if any of our arrangements with our Hosting Providers are terminated, we could experience interruptions on our platform and in our ability to make our products available to customers, as well as delays and additional expenses (including research and development expenses) in arranging alternative cloud infrastructure services.

Any of the above circumstances or events may cause outages where we are unable to generate revenue, harm our reputation, cause customers to stop using our products, impair our ability to attract new customers and increase revenue from customers, subject us to financial penalties and liabilities under our service level agreements and otherwise harm our revenue, business, results of operations and financial condition.

***Our balance sheet includes significant amounts of intangible assets. The impairment of a significant portion of these assets would negatively affect our financial condition or results of operations.***

A significant portion of our total assets consists of intangible assets. Intangible assets accounted for approximately 30.2% of total assets on our balance sheet as of December 31, 2022. During the twelve months ended December 31, 2022, we recorded no impairment charges. See Note 4 "Goodwill and Intangible Assets, Net" for further discussion over goodwill impairment charges. We evaluate goodwill and indefinite-lived intangible assets for impairment annually in the fourth quarter and whenever events or circumstances make it more likely than not that impairment may have occurred. Under current accounting rules, any determination that impairment has occurred would require us to record an impairment charge, which would adversely affect our earnings. An impairment of a significant portion of intangible assets could adversely affect our operating results and financial condition.

***If we are unable to maintain a high level of service, our business, operating results and financial condition may be harmed.***

One of the key attributes of our business is providing high quality service to our health plan partners and customers. We may be unable to sustain these levels of service, which would harm our reputation and our business. Alternatively, we may only be able to sustain high levels of service by significantly increasing our operating costs, which would materially and adversely affect our operating results. The level of service we are able to provide depends on our personnel to a significant extent. Our personnel must be well-trained in our processes and able to handle customer calls effectively and efficiently. Any inability of our personnel to meet our demand, whether due to absenteeism, training, turnover, disruptions at our facilities, including due to the effects of the COVID-19 pandemic, bad weather, power outages or other reasons, could adversely impact our business. If we are unable to maintain high levels of service performance, our reputation could suffer and our business, operating results and financial condition would be harmed.

***Global economic conditions could materially and adversely affect our revenue and results of operations.***

Our business has been and may continue to be affected by a number of factors that are beyond our control, such as general geopolitical, economic and business conditions, pandemics, and conditions in the financial markets. A severe or prolonged economic downturn could adversely affect consumers' financial condition and the demand for insurance products.

We are also exposed to risks associated with the potential financial instability of our health plan partners and customers, many of whom may be adversely affected by volatile conditions in the financial markets or an economic slowdown. As a result of uncertainties with respect to financial institutions and the global credit markets and other macroeconomic challenges currently or potentially affecting the economy of the U.S. and other parts of the world, customers may experience serious cash flow problems and other financial difficulties, decreasing demand for the products of our health plan partners. In addition, events in the U.S. or foreign markets, such as the U.K.'s exit from the European Union, the worldwide effects from the COVID-19 pandemic and political and social unrest in various countries around the world, can impact the global economy and capital markets. Our health plan partners may modify, delay, or cancel plans to offer new products or may make changes in the mix of products purchased that are unfavorable to us. Additionally, if health plan partners are not successful in generating sufficient revenue or are precluded from securing financing, their businesses will suffer, which may materially and adversely affect our business, operating results and financial condition.

In addition, we are susceptible to risks associated with the potential financial instability of the vendors on which we rely to provide services or to whom we delegate certain functions. The same conditions that may affect health plan partners and customers also could adversely affect our vendors, causing them to significantly and quickly increase their prices or reduce their output. Our business depends on our ability to perform, in an efficient and uninterrupted fashion, our necessary business functions, and any interruption in the services provided by third parties could also adversely affect our business, operating results and financial condition.

***Acquisitions of other businesses or technologies could disrupt and harm our business, operating results and financial condition.***

We have in the past acquired businesses and in the future may decide to acquire other businesses, products and technologies. Our ability as an organization to successfully make and integrate acquisitions is unproven. Acquisitions could require significant capital infusions and could involve many risks, including the following:

- an acquisition may negatively impact our results of operations because it will require us to incur transaction expenses, and after the transaction, may require us to incur charges and substantial debt or liabilities, may require the amortization, write down or impairment of amounts related to goodwill and other intangible assets, or may cause adverse tax consequences or substantial depreciation charges;
- an acquisition undertaken for strategic business purposes may negatively impact our results of operations;
- we may encounter difficulties in assimilating and integrating the business, technologies, products, personnel or operations of companies that we acquire, particularly if key personnel of the acquired company decide not to work for us;
- an acquisition may disrupt our ongoing business, divert resources, increase our expenses and distract our management;
- we may be required to implement or improve internal controls, procedures and policies appropriate for a public company at a business that prior to the acquisition lacked these controls, procedures and policies;
- the acquired businesses may have unexpected liabilities that we will be forced to assume;
- the acquired businesses, products or technologies may not generate sufficient revenue to offset acquisition costs or to maintain our financial results; and
- acquisitions may involve the entry into geographic or business markets in which we have little or no prior experience, such as our acquisition of Creatix which had operations in Slovakia.

We may not be able to identify or consummate any future acquisition on favorable terms, or at all. If we do pursue an acquisition, it is possible that we may not realize the anticipated benefits from the acquisition or that the financial markets or investors will negatively view the acquisition. Even if we successfully complete an acquisition, it could harm our business, operating results and financial condition.

***Our business may not grow if consumers are not informed about the availability and accessibility of affordable health insurance.***

Numerous health insurance products are available to consumers in any given market. Most of these products vary by price, benefits and other policy features. Health insurance terminology and provisions are often confusing and difficult to understand. As a result, researching, selecting and purchasing health insurance can be a complex process. We believe that this complexity has contributed to a perception held by many consumers that individual health insurance is prohibitively expensive and difficult to obtain. If consumers are not informed about the availability and accessibility of affordable health insurance, our business may not grow and our business, operating results and financial condition would be harmed.

***Economic sanction laws in the United States and other jurisdictions may prohibit us and our affiliates from transacting with certain countries, individuals and companies, which could negatively impact our business, operating results and financial condition.***

The FCPA and other anti-corruption laws and regulations, as well as anti-boycott regulations, may apply to and restrict our activities, including our software development operations in Slovakia. If we were to violate any such laws or regulations, we may face significant legal and monetary penalties. The U.S. government has indicated that it is focused on FCPA enforcement, which may increase the risk that we become the subject of such actual or threatened enforcement. As such, a violation of the FCPA or other applicable regulations could have a material adverse effect on our business.

**Risks Related to Our Intellectual Property and Technology**

***We rely on data provided to us by customers, health plan partners and third-party lead suppliers to improve our technology and service offerings, and if we are unable to maintain or grow such data, we may be unable to provide customers with an insurance shopping experience that is relevant, efficient and effective, which could adversely affect our business.***

Our business relies on the data provided to us by customers, health plan partners and third-party lead suppliers. The large amount of data that we use in operating our marketplace platform, and the accuracy of such data, is critical to our ability to provide a relevant, efficient and effective insurance shopping experience for customers. For example, if the data provided to us by our customers during the insurance shopping process is not accurate, our ability to match our customers with relevant and suitable insurance products would be impaired, which could lead to an increase in rejections of policies that we submit to health plan partners. Further, if we are unable to maintain or effectively utilize the data provided to us, the value that we provide to customers and health plan partners may be limited as well. If we do not obtain accurate data from our consumers or if we are unable to maintain or effectively utilize the data provided to us, consumers who use our platform could have a negative shopping experience, which could materially and adversely affect our business, operating results and financial condition.

Our investments in our technology systems may not be sufficient to continually collect and retain sufficient data, and we may not be able to improve our data technologies to satisfy our operating needs. Failure to do so could materially and adversely affect our business, operating results and financial condition.

***Our business is subject to security risks and, if we are subject to cyber-attacks, security breaches or otherwise unable to safeguard the security and privacy of confidential data, including personal health information, our business will be harmed.***

Our services involve the collection and storage of confidential and personal information of consumers and employees, including protected health information subject to HIPAA and other individually identifiable health information, and the transmission of this information to their chosen health plan partner and to government. For example, in our online lead generation business, we collect and disclose names, contact information, date of birth, and sensitive information regarding the medical history of consumers. Information security risks have generally increased in recent years because of the proliferation of new technologies and the increased sophistication and activities of perpetrators of cyber-attacks. Hackers and data thieves are increasingly sophisticated and operating large-scale and complex automated attacks, including on companies within the healthcare industry. As cyber threats continue to evolve, we are required to expend additional resources to further enhance our information security measures, develop additional protocols and/or to investigate and remediate any information security vulnerabilities.

Because our services involve the collection, processing, use, storage and transmission of confidential and personal information of consumers and employees, including protected health information subject to HIPAA and other individually identifiable health information, we are subject to various laws, regulations, industry standards and contractual requirements regarding the collection, maintenance, protection, use, transmission, disclosure and disposal of personal information. We also hold a significant amount of personal information relating to our current and former employees. We cannot guarantee that our facilities and systems, and those of our third-party service providers, will be free of security breaches, cyber-attacks, acts of vandalism, computer viruses, malware, ransomware, denial-of-service attacks, misplaced or lost data, programming and/or human errors or other similar events, and we are required to expend significant amounts and other resources to protect against security breaches or to alleviate problems caused by security breaches and other threats to our information technology systems.

Techniques used to obtain unauthorized access or to sabotage systems change frequently, and as a result, we may be unable to anticipate these techniques or to implement adequate preventative measures. Additionally, our third-party service providers who process information on our behalf may cause security breaches for which we are responsible.

Any compromise or perceived compromise of the security of our systems or the systems of one or more of our vendors or service providers could damage our reputation, cause the termination of relationships with government-run health insurance exchanges, health plan partners, and/or our customers, result in disruption or interruption to our business operations, marketing partners and health plan partners, reduce demand for our services and subject us to significant liability and expense as well as regulatory action and lawsuits, which would harm our business, operating results and financial condition. We may not carry insurance or maintain coverage sufficient to compensate for all liability and in any event, insurance coverage would not address the reputational damage that could result from a security incident or any regulatory actions or litigation that may result.

***We may not be able to adequately protect our intellectual property, which could harm our business and operating results.***

We believe that our intellectual property is an essential asset of our business and that our technology currently gives us a competitive advantage in the distribution of Medicare-related, individual and family health insurance. We rely on a combination of copyright, trademark and trade secret laws as well as confidentiality procedures and contractual provisions to establish and protect our intellectual property rights in the United States. The efforts we have taken to protect our intellectual property may not be sufficient or effective. In addition, monitoring unauthorized uses of our intellectual property and unauthorized disclosures of our trade secrets and other confidential or proprietary information can be difficult, and even if we do detect violations, litigation may be necessary to enforce our intellectual property rights. Any enforcement efforts we undertake, including litigation, could be time-consuming and expensive, could divert our management's attention and may result in a court determining that our intellectual property or other proprietary rights are unenforceable. If we are not successful in cost-effectively protecting our confidential information, trade secrets and other intellectual property rights, our business, operating results and financial condition could be harmed. Further, if a competitor lawfully obtains or independently develops the technology that we maintain as a trade secret, we would have no right to prevent such competitor from using that technology or proprietary information to compete with us, which could harm our competitive position.

In addition, we use open-source software in connection with our proprietary software and expect to continue to use open-source software in the future. Some open-source licenses, commonly referred to as "copyleft" licenses, require licensors to provide source code to licensees upon request, or prohibit licensors from charging a fee to licensees. We try to insulate our proprietary code from the effects of such "copyleft" provisions. The policies we have in place to avoid usage of software from "copyleft" licenses, and the audits and other procedures we implement in an effort to ensure these policies are followed may not be successful. Accordingly, we may face claims from others claiming ownership of, or seeking to enforce the license terms applicable to such open-source software, including by demanding release of the open-source software, derivative works or our proprietary source code that was developed or distributed with such software. These claims could also result in litigation, require

us to purchase a costly license or require us to devote additional research and development resources to change our software, any of which would have a negative effect on our business and results of operations. In addition, if the license terms for the open-source software change, we may be forced to re-engineer our software or incur additional costs. We cannot assure you that we have not incorporated open-source software into our proprietary software in a manner that may subject our proprietary software to an open-source license that requires disclosure, to customers or the public, of the source code to such proprietary software. Any such disclosure would have a negative effect on our business and the value of our proprietary software.

***We may become subject to intellectual property disputes, which are costly and may subject us to significant liability and increased costs of doing business.***

Third parties may be able to successfully challenge, oppose, invalidate, render unenforceable, dilute, misappropriate or circumvent our trademarks, copyrights and other intellectual property rights. Our success depends, in part, on our ability to develop and commercialize our products and services without infringing, misappropriating or otherwise violating the intellectual property rights of third parties. However, we may not be aware that our products or services are infringing, misappropriating or otherwise violating third-party intellectual property rights and such third parties may bring claims alleging such infringement, misappropriation or violation.

Actions we may take to enforce our intellectual property rights may be expensive and divert management's attention away from the ordinary operation of our business, and our inability to secure and protect our intellectual property rights could materially and adversely affect our brand and business, operating results and financial condition. Furthermore, such enforcement actions, even if successful, may not result in an adequate remedy. In addition, many companies have the capability to dedicate greater resources to enforce their intellectual property rights and to defend claims that may be brought against them. If a third-party is able to obtain an injunction preventing us from accessing such third-party intellectual property rights, or if we cannot license or develop alternative technology for any infringing aspect of our business, we would be forced to limit or stop sales of our products and platform capabilities or cease business activities related to such intellectual property.

Our insurance may not cover potential claims of this type and may not be adequate to indemnify us for all liability that may be imposed. We cannot predict the outcome of lawsuits and cannot ensure that the results of any such actions will not have an adverse effect on our business, financial condition or results of operations. Such claims could subject us to significant liability for damages and could result in our having to stop using technology found to be in violation of a third party's rights. Further, we might be required to seek a license for third-party intellectual property, which may not be available on reasonable royalty or other terms. Alternatively, we could be required to develop alternative non-infringing technology, which could require significant effort and expense. If we cannot license or develop technology for any infringing aspect of our business, we would be forced to limit our services, which could affect our ability to compete effectively. Any of these results would harm our business, operating results and financial condition.

#### **Risks Related to Our Indebtedness**

***The amount of our indebtedness may materially limit our ability to operate our business and finance our future operations or capital needs.***

The total principal amount of debt outstanding under our Credit Facilities, excluding unamortized debt discount and deferred issuance costs, as of December 31, 2022 was \$518.1 million, all under our term loans. Our indebtedness could have significant effects on our business, such as:

- limiting our ability to borrow additional amounts to fund capital expenditures, acquisitions, debt service requirements, execution of our growth strategy and other purposes;
- limiting our ability to make investments, including acquisitions, loans and advances, and to sell, transfer or otherwise dispose of assets;
- requiring us to dedicate a substantial portion of our cash flow from operations to pay principal and interest on our borrowings, which would reduce availability of our cash flow to fund working capital, capital expenditures, acquisitions, execution of our growth strategy and other general corporate purposes;
- making us more vulnerable to adverse changes in general economic, industry and competitive conditions, in government regulation and in our business by limiting our ability to plan for and react to changing conditions;
- placing us at a competitive disadvantage compared with our competitors that have less debt; and
- exposing us to risks inherent in interest rate fluctuations because our borrowings are at variable rates of interest, which could result and have resulted in higher interest expense with the recent increases in interest rates.

In addition, we may not be able to generate sufficient cash flow from our operations to repay our indebtedness when it becomes due and to meet our other cash needs. If we are not able to pay our borrowings as they become due, we will be required to pursue one or more alternative strategies, such as selling assets, refinancing or restructuring our indebtedness or selling additional debt or equity securities. We may not be able to refinance our debt or sell additional debt or equity securities or our assets on favorable terms, if at all, and if we must sell our assets, it may negatively affect our business, financial condition and results of operations.

**Restrictions contained in our Credit Facilities impact our business and expose us to risks that could materially adversely affect our liquidity and financial condition.**

The terms of our Credit Facilities restrict us and our restricted subsidiaries from engaging in specified types of transactions. These covenants restrict our ability, and that of our restricted subsidiaries, to, among other things:

- incur indebtedness;
- incur certain liens;
- consolidate, merge or sell or otherwise dispose of assets;
- make investments, loans, advances, guarantees and acquisitions;
- pay dividends or make other distributions on equity interests, or redeem, repurchase or retire equity interests;
- enter into transactions with affiliates;
- alter the business conducted by us and our subsidiaries;
- change their fiscal year; and
- amend or modify governing documents.

A breach of any of these covenants, or any other covenant in the documents governing our Credit Facilities, could result in a default or event of default under our Credit Facilities. In the event of any event of default under our Credit Facilities, the applicable lenders or agents could elect to terminate borrowing commitments and declare all borrowings and loans outstanding thereunder, together with accrued and unpaid interest and any fees and other obligations, to be immediately due and payable. In addition, or in the alternative, the applicable lenders or agents could exercise their rights under the security documents entered into in connection with our Credit Facilities. We have pledged substantially all of our assets as collateral securing our Credit Facilities and any such exercise of remedies on any material portion of such collateral would likely materially adversely affect our business, financial condition or results of operations. Subject to certain limited exceptions, substantially all of the Company's assets are restricted from distribution.

If we were unable to repay or otherwise refinance these borrowings and loans when due, and the applicable lenders proceeded against the collateral granted to them to secure that indebtedness, we may be forced into bankruptcy or liquidation. In the event the applicable lenders accelerate the repayment of our borrowings, we may not have sufficient assets to repay that indebtedness. Any acceleration of amounts due under our Credit Facilities or other outstanding indebtedness would also likely have a material adverse effect on us.

Pursuant to our Credit Agreement, we are required to maintain, on a consolidated basis, a maximum ratio of consolidated total net debt to consolidated EBITDA (with certain adjustments as set forth in the Credit Agreement), tested as of the last day of the most recently completed four consecutive fiscal quarters. Our ability to borrow under our Credit Agreement depends on our compliance with this financial covenant. Events beyond our control, including changes in general economic and business conditions, may affect our ability to satisfy the financial covenant. We may not satisfy the financial covenant in the future, and our lenders may not waive any failure to satisfy the financial covenant.

#### **Risks Related to Our Organizational Structure**

***Our principal asset is our interest in GoHealth Holdings, LLC, and, as a result, we depend on distributions from GoHealth Holdings, LLC to pay our taxes and expenses, including payments under the Tax Receivable Agreement. GoHealth Holdings, LLC's ability to make such distributions may be subject to various limitations and restrictions.***

We are a holding company and have no material assets other than our ownership of LLC Interests. As such, we have no independent means of generating revenue or cash flow, and our ability to pay our taxes and operating expenses or declare and pay dividends in the future, if any, are dependent upon the financial results and cash flows of GoHealth Holdings, LLC and its subsidiaries and distributions we receive from GoHealth Holdings, LLC. GoHealth Holdings, LLC and its subsidiaries may not generate sufficient cash flow to distribute funds to us and applicable state law and contractual restrictions, including negative covenants in our debt instruments, may not permit such distributions. Although GoHealth Holdings, LLC is not currently subject to any debt instruments or other agreements that would restrict its ability to make distributions to us, the terms of our Credit Facilities and other outstanding indebtedness restrict the ability of our subsidiaries to pay dividends to GoHealth Holdings, LLC.

GoHealth Holdings, LLC is treated as a partnership for U.S. federal income tax purposes and, as such, generally is not subject to any entity-level U.S. federal income tax. Instead, any taxable income of GoHealth Holdings, LLC will be allocated to holders of LLC Interests, including us. Accordingly, we incur income taxes on our allocable share of any net taxable income of GoHealth Holdings, LLC. Under the terms of the GoHealth Holdings, LLC Agreement, GoHealth Holdings, LLC is obligated, subject to various limitations and restrictions, including with respect to our debt agreements, to make tax distributions to holders of LLC Interests, including us. In addition to tax expenses, we also incur expenses related to our operations, including payments under the Tax Receivable Agreement, which could be significant. We intend, as its managing member, to cause GoHealth Holdings, LLC to make cash distributions to the holders of LLC Interests in an amount sufficient to (1) fund all or part of their tax obligations in respect of taxable income allocated to them and (2) cover our operating expenses, including payments under the Tax Receivable Agreement. However, GoHealth Holdings, LLC's ability to make such distributions may be subject to various limitations and restrictions, such as restrictions on distributions that would either violate any contract or agreement to which

GoHealth Holdings, LLC is then a party, including debt agreements, or any applicable law, or that would have the effect of rendering GoHealth Holdings, LLC insolvent. If we do not have sufficient funds to pay tax or other liabilities, or to fund our operations (including, if applicable, as a result of an acceleration of our obligations under the Tax Receivable Agreement), we may have to borrow funds, which could materially and adversely affect our liquidity and financial condition, and subject us to various restrictions imposed by any lenders of such funds. To the extent we are unable to make timely payments under the Tax Receivable Agreement for any reason, such payments generally will be deferred and will accrue interest until paid; provided, however, that nonpayment for a specified period may constitute a material breach of a material obligation under the Tax Receivable Agreement resulting in the acceleration of payments due under the Tax Receivable Agreement. In addition, if GoHealth Holdings, LLC does not have sufficient funds to make distributions, our ability to declare and pay cash dividends will also be restricted or impaired. See “—Risks Related to the Ownership of our Class A Common Stock.”

Under the GoHealth Holdings, LLC Agreement, we intend to cause GoHealth Holdings, LLC, from time to time, to make distributions in cash to its equity holders (including us) in amounts sufficient to cover the taxes imposed on their allocable share of taxable income of GoHealth Holdings, LLC. As a result of (1) potential differences in the amount of net taxable income allocable to us and to GoHealth Holdings, LLC's other equity holders, (2) the lower tax rate applicable to corporations as opposed to individuals, and (3) certain tax benefits that we anticipate from (a) future purchases or redemptions of LLC Interests from the Continuing Equity Owners, (b) payments under the Tax Receivable Agreement and (c) any acquisition of interests in GoHealth Holdings, LLC from other equity holders in connection with the consummation of the Transactions, these tax distributions may be in amounts that exceed our tax liabilities. Our board of directors will determine the appropriate uses for any excess cash so accumulated, which may include, among other uses, the payment of obligations under the Tax Receivable Agreement and the payment of other expenses. We will have no obligation to distribute such cash (or other available cash) to our stockholders. No adjustments to the exchange ratio for LLC Interests and corresponding shares of Class A common stock will be made as a result of any cash distribution by us or any retention of cash by us. To the extent we do not distribute such excess cash as dividends on our Class A common stock, we may take other actions with respect to such excess cash, for example, holding such excess cash, or lending it (or a portion thereof) to GoHealth Holdings, LLC, which may result in shares of our Class A common stock increasing in value relative to the value of LLC Interests. The holders of LLC Interests may benefit from any value attributable to such cash balances if they acquire shares of Class A common stock in exchange for their LLC Interests, notwithstanding that such holders may have participated previously as holders of LLC Interests in distributions that resulted in such excess cash balances.

***The Tax Receivable Agreement with the Continuing Equity Owners requires us to make cash payments to them in respect of certain tax benefits to which we may become entitled, and such payments could be substantial.***

Under the Tax Receivable Agreement, we are required to make cash payments to the Continuing Equity Owners and the Blocker Shareholders equal to 85% of the tax benefits, if any, that we actually realize, or in certain circumstances are deemed to realize, as a result of (1) GoHealth, Inc.'s allocable share of existing tax basis acquired in connection with the Transactions (including the Blocker Company's share of existing tax basis) and increases to such allocable share of existing tax basis; (2) the increases in our share of the tax basis of assets of GoHealth Holdings, LLC resulting from (a) the purchase of LLC Interests directly from GoHealth Holdings, LLC and the partial redemption of LLC Interests by GoHealth Holdings, LLC, (b) any future redemptions or exchanges of LLC Interests from the Continuing Equity Owners and (c) certain distributions (or deemed distributions) by GoHealth Holdings, LLC; and (3) certain other tax benefits arising from payments under the Tax Receivable Agreement. The amount of cash payments we are required to make under the Tax Receivable Agreement could be substantial. Any payments made by us to the Continuing Equity Owners and the Blocker Shareholders under the Tax Receivable Agreement will not be available for reinvestment in our business and will generally reduce the amount of overall cash flow that might have otherwise been available to us. To the extent that we are unable to make timely payments under the Tax Receivable Agreement for any reason, the unpaid amounts will be deferred and will accrue interest until paid by us. Payments under the Tax Receivable Agreement are not conditioned upon one or more of the Continuing Equity Owners maintaining a continued ownership interest in GoHealth Holdings, LLC. Furthermore, our future obligation to make payments under the Tax Receivable Agreement could make us a less attractive target for an acquisition, particularly in the case of an acquirer that cannot use some or all of the tax benefits that are the subject of the Tax Receivable Agreement. The existing tax basis acquired in connection with the Transactions, the actual increase in tax basis, and the actual utilization of any resulting tax benefits, as well as the amount and timing of any payments under the Tax Receivable Agreement, will vary depending upon a number of factors: including the timing of redemptions by the Continuing Equity Owners; the price of shares of our Class A common stock at the time of the exchange; the extent to which such exchanges are taxable; the amount of gain recognized by such Continuing Equity Owners; the amount and timing of the taxable income allocated to us or otherwise generated by us in the future; the portion of our payments under the Tax Receivable Agreement constituting imputed interest; and the federal and state tax rates then applicable.

***Our organizational structure, including the Tax Receivable Agreement, confers certain benefits upon the Continuing Equity Owners that do not benefit holders of our Class A common stock to the same extent that it benefits the Continuing Equity Owners.***

Our organizational structure, including the Tax Receivable Agreement, confers certain benefits upon the Continuing Equity Owners that do not benefit the holders of our Class A common stock to the same extent that it benefits the Continuing Equity Owners. The Tax Receivable Agreement provides for the payment by us to the Continuing Equity Owners and the Blocker Shareholders of 85% of the amount of tax benefits, if any, that we actually realize, or in some circumstances are deemed to

realize, as a result of (1) GoHealth, Inc.'s allocable share of existing tax basis acquired in connection with the Transactions (including the Blocker Company's share of existing tax basis) and increases to such allocable share of existing tax basis; (2) the increases in our share of the tax basis of assets of GoHealth Holdings, LLC resulting from (a) the purchase of LLC Interests directly from GoHealth Holdings, LLC and, the partial redemption of LLC Interests by GoHealth Holdings, LLC (b) any future redemptions or exchanges of LLC Interests from the Continuing Equity Owners and (c) certain distributions (or deemed distributions) by GoHealth Holdings, LLC; and (3) certain other tax benefits arising from payments under the Tax Receivable Agreement. Although we will retain 15% of the amount of such tax benefits, this and other aspects of our organizational structure may adversely impact the future trading market for the Class A common stock.

***In certain cases, payments under the Tax Receivable Agreement to the Continuing Equity Owners and the Blocker Shareholders may be accelerated or significantly exceed any actual benefits we realize in respect of the tax attributes subject to the Tax Receivable Agreement.***

The Tax Receivable Agreement provides that if (1) we materially breach any of our material obligations under the Tax Receivable Agreement, (2) certain mergers, asset sales, other forms of business combinations or other changes of control were to occur, or (3) we elect an early termination of the Tax Receivable Agreement, then our obligations, or our successor's obligations, under the Tax Receivable Agreement to make payments would be based on certain assumptions, including an assumption that we would have sufficient taxable income to fully utilize all potential future tax benefits that are subject to the Tax Receivable Agreement.

As a result of the foregoing, we would be required to make an immediate cash payment equal to the present value of the anticipated future tax benefits that are the subject of the Tax Receivable Agreement, based on certain assumptions, which payment may be made significantly in advance of the actual realization, if any, of such future tax benefits. We could also be required to make cash payments to the Continuing Equity Owners and the Blocker Shareholders that are greater than the specified percentage of any actual benefits we ultimately realize in respect of the tax benefits that are subject to the Tax Receivable Agreement. In these situations, our obligations under the Tax Receivable Agreement could have a substantial negative impact on our liquidity and could have the effect of delaying, deferring or preventing certain mergers, asset sales, other forms of business combinations or other changes of control. We may not be able to fund or finance our obligations under the Tax Receivable Agreement. We may need to incur debt to finance payments under the Tax Receivable Agreement to the extent our cash resources are insufficient to meet our obligations under the Tax Receivable Agreement as a result of timing discrepancies or otherwise.

***We will not be reimbursed for any payments made to the Continuing Equity Owners and the Blocker Shareholders under the Tax Receivable Agreement in the event that any tax benefits are disallowed.***

Payments under the Tax Receivable Agreement will be based on the tax reporting positions that we determine, and the U.S. Internal Revenue Service, or the IRS, or another tax authority, may challenge all or part of the tax basis increases or other tax benefits we claim, as well as other related tax positions we take, and a court could sustain such challenge. If the outcome of any such challenge would reasonably be expected to materially and adversely affect a recipient's payments under the Tax Receivable Agreement, then we will not be permitted to settle or fail to contest such challenge without the consent (not to be unreasonably withheld or delayed) of Centerbridge and NVX Holdings. The interests of Centerbridge or NVX Holdings in any such challenge may differ from or conflict with our interests and your interests, and Centerbridge or NVX Holdings may exercise their consent rights relating to any such challenge in a manner adverse to our interests and your interests. We will not be reimbursed for any cash payments previously made to the Continuing Equity Owners and the Blocker Shareholders under the Tax Receivable Agreement in the event that any tax benefits initially claimed by us and for which payment has been made to a Continuing Equity Owner or a Blocker Shareholder are subsequently challenged by a taxing authority and are ultimately disallowed. Instead, any excess cash payments made by us to a Continuing Equity Owner and/or a Blocker Shareholder, as applicable, will be netted against any future cash payments we might otherwise be required to make to such Continuing Equity Owner and/or such Blocker Shareholder, under the terms of the Tax Receivable Agreement. However, we might not determine that we have effectively made an excess cash payment to a Continuing Equity Owner and/or a Blocker Shareholder, as applicable, for a number of years following the initial time of such payment and, if any of our tax reporting positions are challenged by a taxing authority, we will not be permitted to reduce any future cash payments under the Tax Receivable Agreement until any such challenge is finally settled or determined. Moreover, the excess cash payments we made previously under the Tax Receivable Agreement could be greater than the amount of future cash payments against which we would otherwise be permitted to net such excess. The applicable U.S. federal income tax rules for determining applicable tax benefits we may claim are complex and factual in nature, and the IRS or a court may not agree with our tax reporting positions. As a result, payments could be made under the Tax Receivable Agreement significantly in excess of any actual cash tax savings that we realize in respect of the tax attributes with respect to a Continuing Equity Owner and/or a Blocker Shareholder that are the subject of the Tax Receivable Agreement.

#### **Risks Related to the Ownership of our Class A Common Stock**

***The Founders and Centerbridge have significant influence over us, including control over decisions that require the approval of stockholders.***

As of December 31, 2022, the Founders and Centerbridge control, in the aggregate, approximately 62.6% of the voting power represented by all our outstanding classes of stock. As a result, the Founders and Centerbridge exercise significant influence

over all matters requiring stockholder approval, including the election and removal of directors and the size of our board, any amendment of our amended and restated certificate of incorporation or bylaws and any approval of significant corporate transactions (including a sale of all or substantially all of our assets), and will continue to have significant control over our business, affairs and policies, including the appointment of our management. The directors that the Founders and Centerbridge elect have the authority to vote to authorize the Company to incur additional debt, issue or repurchase stock, declare dividends and make other decisions that could be detrimental to stockholders.

We expect that members of our board will continue to be appointed by and/or affiliated with the Founders and Centerbridge who will have the ability to appoint the majority of directors. The Founders and Centerbridge can take actions that have the effect of delaying or preventing a change of control of us or discouraging others from making tender offers for our shares, which could prevent stockholders from receiving a premium for their shares. These actions may be taken even if other stockholders oppose them. The concentration of voting power with the Founders and Centerbridge may have an adverse effect on the price of our Class A common stock. The Founders and Centerbridge may have interests that are different from yours and may vote in a way with which you disagree and that may be adverse to your interests.

Further, our amended and restated certificate of incorporation provides that the doctrine of “corporate opportunity” does not apply with respect to any director or stockholder who is not employed by us or our subsidiaries. See “—Our amended and restated certificate of incorporation provides that the doctrine of “corporate opportunity” does not apply with respect to any director or stockholder who is not employed by us or our subsidiaries.”

Centerbridge and its affiliates engage in a broad spectrum of activities. In the ordinary course of its business activities, Centerbridge and its affiliates may engage in activities where their interests conflict with our interests or those of our other stockholders. Centerbridge or one of its affiliates may also pursue acquisition opportunities that may be complementary to our business, and, as a result, those acquisition opportunities may not be available to us. In addition, Centerbridge may have an interest in us pursuing acquisitions, divestitures and other transactions that, in its judgment, could enhance its investment, even though such transactions might involve risks to you.

***We are a “controlled company” within the meaning of the Nasdaq rules and, as a result, qualify for, and rely on, exemptions from certain corporate governance requirements. You may not have the same protections afforded to stockholders of companies that are subject to such corporate governance requirements.***

NVX Holdings and Centerbridge have more than 50% of the voting power for the election of directors, and, as a result, we are considered a “controlled company” within the meaning of the Nasdaq rules. As such, we qualify for, and rely on, exemptions from certain corporate governance requirements, including the requirements to have a majority of independent directors on our board of directors, an entirely independent nominating and corporate governance committee, an entirely independent compensation committee or to perform annual performance evaluations of the nominating and corporate governance and compensation committees.

The corporate governance requirements and, specifically, the independence standards are intended to ensure directors who are considered independent are free of any conflicting interest that could influence their actions as directors. We utilize certain exemptions afforded to a “controlled company.” As a result, we are not subject to certain corporate governance requirements, including that a majority of our board of directors consists of “independent directors,” as defined under the Nasdaq rules. In addition, we are not required to have a nominating and corporate governance committee or compensation committee that is composed entirely of independent directors with a written charter addressing the committee’s purpose and responsibilities, or to conduct annual performance evaluations of the nominating and corporate governance and compensation committees. Accordingly, you may not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the Nasdaq rules. Our status as a controlled company could make our Class A common stock less attractive to some investors or otherwise harm our stock price.

***Certain provisions of Delaware law and anti-takeover provisions in our organizational documents could delay or prevent a change of control.***

Certain provisions of Delaware law and our amended and restated certificate of incorporation and amended and restated bylaws may have an anti-takeover effect and may delay, defer, or prevent a merger, acquisition, tender offer, takeover attempt or other change of control transaction that a stockholder might consider in its best interest, including those attempts that might result in a premium over the market price for the shares held by our stockholders. These provisions provide for, among other things:

- a classified board of directors with staggered three-year terms;
- the ability of our board of directors to issue one or more series of preferred stock;
- advance notice for nominations of directors by stockholders and for stockholders to include matters to be considered at our annual meetings;
- certain limitations on convening special stockholder meetings;
- no cumulative voting in the election of directors;
- subject to the rights of the holders of any preferred stock and the terms of the Stockholders Agreement, the number of directors shall be determined exclusively by a majority of the whole board or directors;



- the removal of directors only for cause and only upon the affirmative vote of the holders of at least 66 2/3% of the voting power represented by our then-outstanding common stock (other than directors appointed pursuant to the Stockholders Agreement, who may be removed with or without cause in accordance with the terms of the Stockholders Agreement);
- at any time when Centerbridge beneficially owns, in the aggregate, less than 40% of the voting power entitled to vote generally in the election of our directors, that stockholders may not act by written consent; and
- at any time when Centerbridge beneficially owns, in the aggregate, less than 40% of the voting power entitled to vote generally in the election of our directors, that certain provisions of our amended and restated certificate of incorporation may be amended only by the affirmative vote of at least 66 2/3% of the voting power represented by our then-outstanding common stock.

These anti-takeover provisions could make it more difficult for a third party to acquire us, even if the third party's offer may be considered beneficial by many of our stockholders. As a result, our stockholders may be limited in their ability to obtain a premium for their shares.

In addition, we have opted out of Section 203 of the General Corporation Law of the State of Delaware, which we refer to as the DGCL, but our amended and restated certificate of incorporation provides that engaging in any of a broad range of business combinations with any "interested" stockholder (any stockholder with 15% or more of our voting stock) for a period of three years following the date on which the stockholder became an "interested" stockholder is prohibited; provided, however, that, under our amended and restated certificate of incorporation, Centerbridge and NVX Holdings and any of their respective affiliates are not deemed to be interested stockholders regardless of the percentage of our outstanding voting stock owned by them, and accordingly will not be subject to such restrictions.

***Because we have no current plans to pay regular cash dividends on our Class A common stock, you may not receive any return on investment unless you sell your Class A common stock for a price greater than that which you paid for it.***

We do not anticipate paying any regular cash dividends on our Class A common stock. Any decision to declare and pay dividends in the future will be made at the discretion of our board of directors and will depend on, among other things, general and economic conditions, our results of operations and financial condition, our available cash and current and anticipated cash needs, capital requirements, contractual, legal, tax and regulatory restrictions, and such other factors that our board of directors may deem relevant. In addition, our ability to pay dividends is, and may be, limited by covenants of existing and any future outstanding indebtedness we or our subsidiaries incur, including under our Credit Facilities. Therefore, any return on investment in our Class A common stock is solely dependent upon the appreciation of the price of our Class A common stock on the open market, which may not occur.

***Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware is the sole and exclusive forum for certain stockholder litigation matters and the federal district courts of the United States are the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, employees or stockholders.***

Our amended and restated certificate of incorporation provides (A) (i) any derivative action or proceeding brought on behalf of the Company, (ii) any action asserting a claim of breach of a fiduciary duty owed by any current or former director, officer, other employee or stockholder of the Company to the Company or the Company's stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL, our amended and restated certificate of incorporation or our amended and restated bylaws (as either may be amended or restated) or as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware or (iv) any action asserting a claim governed by the internal affairs doctrine of the law of the State of Delaware shall, to the fullest extent permitted by law, be exclusively brought in the Court of Chancery of the State of Delaware or, if such court does not have subject matter jurisdiction thereof, the federal district court of the State of Delaware; and (B) the federal district courts of the United States shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. Notwithstanding the foregoing, the exclusive forum provision shall not apply to claims seeking to enforce any liability or duty created by the Exchange Act. The choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees, which may discourage such lawsuits against us and our directors, officers, and other employees, although our stockholders will not be deemed to have waived our compliance with federal securities laws and the rules and regulations thereunder.

Alternatively, if a court were to find the choice of forum provision contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, results of operations, and financial condition. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock shall be deemed to have notice of and consented to the forum provisions in our amended and restated certificate of incorporation.

***Our amended and restated certificate of incorporation provides that the doctrine of "corporate opportunity" does not apply with respect to any director or stockholder who is not employed by us or our subsidiaries.***

The doctrine of corporate opportunity generally provides that a corporate fiduciary may not develop an opportunity using corporate resources, acquire an interest adverse to that of the corporation or acquire property that is reasonably incident to the present or prospective business of the corporation or in which the corporation has a present or expectancy interest, unless that opportunity is first presented to the corporation and the corporation chooses not to pursue that opportunity. The doctrine of corporate opportunity is intended to preclude officers or directors or other fiduciaries from personally benefiting from opportunities that belong to the corporation. Our amended and restated certificate of incorporation provides that the doctrine of “corporate opportunity” does not apply with respect to any director or stockholder who is not employed by us or our subsidiaries. Any director or stockholder who is not employed by us or our subsidiaries, therefore, has no duty to communicate or present corporate opportunities to us, and has the right to either hold any corporate opportunity for their (and their affiliates’) own account and benefit or to recommend, assign or otherwise transfer such corporate opportunity to persons other than us, including to any director or stockholder who is not employed by us or our subsidiaries.

As a result, certain of our stockholders, directors and their respective affiliates are not prohibited from operating or investing in competing businesses. We, therefore, may find ourselves in competition with certain of our stockholders, directors or their respective affiliates, and we may not have knowledge of, or be able to pursue, transactions that could potentially be beneficial to us. Accordingly, we may lose a corporate opportunity or suffer competitive harm, which could negatively impact our business, operating results and financial condition.

***We are subject to the Nasdaq rules and the rules and regulations established from time to time by the SEC regarding our internal control over financial reporting. If we fail to establish and maintain effective internal control over financial reporting and disclosure controls and procedures, we may not be able to accurately report our financial results, or report them in a timely manner.***

We are subject to the Nasdaq rules and the rules and regulations established from time to time by the SEC. These rules and regulations require, among other things, that we establish and periodically evaluate procedures with respect to our internal control over financial reporting. Reporting obligations as a public company are likely to place a considerable strain on our financial and management systems, processes and controls, as well as on our personnel.

In addition, as a public company we are required to document and test our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act so that our management can certify as to the effectiveness of our internal control over financial reporting, which requires us to document and make significant changes to our internal control over financial reporting.

We expect to incur costs related to implementing an internal audit and compliance function in the upcoming years to further improve our internal control environment. If we identify future deficiencies in our internal control over financial reporting or if we are unable to comply with the demands that are placed upon us as a public company, including the requirements of Section 404 of the Sarbanes-Oxley Act, in a timely manner, we may be unable to accurately report our financial results, or report them within the timeframes required by the SEC. We also could become subject to sanctions or investigations by the SEC or other regulatory authorities. In addition, if we are unable to assert that our internal control over financial reporting is effective, investors may lose confidence in the accuracy and completeness of our financial reports, we may face restricted access to the capital markets and our stock price may be adversely affected.

***We incur significant costs as a result of operating as a public company.***

We are subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act, the Dodd–Frank Wall Street Reform and Consumer Protection Act of 2010 (“Dodd-Frank Act”), the listing requirements of the Nasdaq and other applicable securities laws and regulations. The expenses incurred by public companies generally for reporting and corporate governance purposes have been increasing. We expect these rules and regulations to continue to increase our legal and financial compliance costs and to make some activities more difficult, time-consuming and costly, although we are currently unable to estimate these costs with any degree of certainty. Being a public company and being subject to new rules and regulations also makes it more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These laws and regulations could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors, our board committees or as our executive officers. Furthermore, if we are unable to satisfy our obligations as a public company, we could be subject to delisting of our Class A common stock, fines, sanctions and other regulatory action and potentially civil litigation. These factors may, therefore, strain our resources, divert management’s attention and affect our ability to attract and retain qualified board members.

## **General Risks**

***We are a “smaller reporting company” and the reduced disclosure requirements applicable to smaller reporting companies may make our common stock less attractive to investors.***

We are considered a “smaller reporting company.” We are therefore entitled to rely on certain reduced disclosure requirements, such as an exemption from providing executive compensation information. We are also exempt from the requirement to obtain an external audit on the effectiveness of internal control over financial reporting provided in Section 404(b) of the Sarbanes-Oxley Act. These exemptions and reduced disclosures in our SEC filings due to our status as a smaller reporting company may

make it harder for investors to analyze our results of operations and financial prospects. We cannot predict if investors will find our common stock less attractive because we may rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock prices may be more volatile.

***From time to time we are subject to various legal proceedings which could adversely affect our business, financial condition or results of operations.***

We are, and may in the future become, involved in various legal proceedings and governmental inquiries, including labor and employment-related claims, claims relating to our marketing or sale of health insurance, intellectual property claims and claims relating to our compliance with securities laws. For example, in August 2022, we received a subpoena from the United States Attorney's Office for the District of Massachusetts, seeking, among other things, information relating to our arrangements with certain insurance health plan partners. Such matters can be time-consuming, divert management's attention and resources and cause us to incur significant expenses. Our insurance and indemnities may not cover all claims that may be asserted against us, and any claims asserted against us, regardless of merit or eventual outcome, may harm our reputation. If we are unsuccessful in our defense in these litigation matters or any other legal proceeding, we may be forced to pay damages, fines or penalties, including revocation of our licenses to sell insurance, may be required to enter into consent decrees, stop offering our services or change our business practices, or may lose our relationships with health plan partners, any of which could adversely affect our business, financial condition or results of operations.

***If we fail to manage future growth effectively, our business, operating results and financial condition would be harmed.***

We have expanded our operations significantly and anticipate that further expansion will be required in order for us to grow our business. Our growth has placed and will continue to place increasing and significant demands on our management, our operational and financial systems and infrastructure and our other resources. If we do not effectively manage our growth, the quality of our services could suffer, which could harm our business, operating results and financial condition. In order to manage future growth, we will need to hire, integrate and retain highly skilled and motivated employees. We may not be able to hire new employees quickly enough to meet our needs. If we fail to effectively manage our hiring needs and successfully integrate our new hires, our efficiency and ability to meet our forecasts and our employee morale, productivity and retention could suffer, and our business, operating results and financial condition could be harmed. We will also be required to continue to improve our existing systems for operational and financial management, including our reporting systems, procedures and controls. These improvements may require significant capital expenditures and will place increasing demands on our management. We may not be successful in managing or expanding our operations or in maintaining adequate financial and operating systems and controls. If we do not successfully implement improvements in these areas, our business, operating results and financial condition will be harmed.

***Unanticipated changes in effective tax rates or adverse outcomes resulting from examination of our income or other tax returns could adversely affect our results of operations and financial condition.***

We are subject to taxes by the U.S. federal, state, local and foreign tax authorities. Our future effective tax rates could be subject to volatility or adversely affected by a number of factors, including:

- allocation of expenses to and among different jurisdictions;
- changes in the valuation of our deferred tax assets and liabilities;
- expected timing and amount of the release of any tax valuation allowances;
- tax effects of stock-based compensation;
- costs related to intercompany restructurings;
- changes in tax laws, tax treaties, regulations or interpretations thereof; or
- lower than anticipated future earnings in jurisdictions where we have lower statutory tax rates and higher than anticipated future earnings in jurisdictions where we have higher statutory tax rates.

In addition, we may be subject to audits of our income, sales and other taxes by U.S. federal, state, and local and foreign taxing authorities. Outcomes from these audits could have an adverse effect on our operating results and financial condition.

***Our stock price may change significantly, and you may not be able to resell shares of our Class A common stock at or above the price you paid or at all, and you could lose all or part of your investment as a result.***

You may not be able to resell your shares at or above the price which you paid for them due to a number of factors included herein, including the following:

- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates and investment recommendations by securities analysts and investors;
- technology changes, changes in consumer behavior or changes in merchant relationships in our industry;
- security breaches related to our systems or those of our merchants, affiliates or strategic partners;

- changes in economic conditions for companies in our industry;
- changes in market valuations of, or earnings and other announcements by, companies in our industry;
- declines in the market prices of stocks generally, particularly those of global payment companies;
- strategic actions by us or our competitors;
- announcements by us, our competitors or our strategic partners of significant contracts, new products, acquisitions, joint marketing relationships, joint ventures, other strategic relationships, or capital commitments;
- changes in general economic or market conditions or trends in our industry or the economy as a whole and, in particular, in the consumer spending environment;
- changes in business or regulatory conditions;
- future sales of our Class A common stock or other securities;
- investor perceptions of the investment opportunity associated with our Class A common stock relative to other investment alternatives;
- the public's response to press releases or other public announcements by us or third parties, including our filings with the SEC;
- announcements relating to litigation or governmental investigations;
- guidance, if any, that we provide to the public, any changes in this guidance, or our failure to meet this guidance;
- the development and sustainability of an active trading market for our stock;
- changes in accounting principles;
- global macroeconomic conditions, including inflation, labor shortages, supply chain shortages, or other economic, political or legal uncertainties or adverse developments;
- political tensions resulting in economic instability, such as due to military activity or civil hostilities among Russia and Ukraine and the related response, including sanctions or other restrictive actions, by the United States and/or other countries; and
- other events or factors, including those resulting from system failures and disruptions, natural disasters, war, acts of terrorism, an outbreak of highly infectious or contagious diseases, such as COVID-19, or responses to these events.

Furthermore, the stock market may experience extreme volatility that, in some cases, may be unrelated or disproportionate to the operating performance of particular companies. These broad market and industry fluctuations may adversely affect the market price of our Class A common stock, regardless of our actual operating performance. In addition, price volatility may be greater if the public float and trading volume of our Class A common stock is low.

In the past, following periods of market volatility, stockholders have instituted securities class action litigation. If we were involved in securities litigation, it could have a substantial cost and divert resources and the attention of management from our business regardless of the outcome of such litigation.

## ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

## ITEM 2. PROPERTIES

Our corporate headquarters is located in Chicago, Illinois, and consists of approximately 30,052 square feet of space used to support our marketing and advertising, technology and software development, and general and administrative functions. We lease an additional 42,000 square feet of office space in Chicago, Illinois, to support our customer care and enrollment function. We believe our existing properties, which are used by all reportable segments, are in good operating condition and are suitable for the conduct of our business.

As part of our continued cost savings initiatives during the year ended December 31, 2022, we evaluated our portfolio of properties to identify where we no longer utilize the property for our business operations. As a result, we have entered into or are actively seeking sublease and termination agreements. This evaluation resulted in the complete or partial impairments of certain leased properties, including our properties in Lindon, Utah and Charlotte, North Carolina. For additional information about the operating lease impairment charges related to our leased properties, see Note 3, "Fair Value Measurements" and Note 11, "Leases."

## ITEM 3. LEGAL PROCEEDINGS

Refer to Note 12, "Commitments and Contingencies," of the Notes to Consolidated Financial Statements for information about legal proceedings.

## ITEM 4. MINE SAFETY DISCLOSURES

None.

## INFORMATION ABOUT OUR EXECUTIVE OFFICERS AND DIRECTORS

The following table provides information regarding our executive officers as of the date of this Annual Report on Form 10-K:

Name	Age	Position(s)
Vijay Kotte	45	Chief Executive Officer
Jason Schulz	46	Chief Financial Officer
Shane E. Cruz	43	Chief Strategy Officer
Brian Farley	53	Chief Legal Officer

### Executive Officers

**Vijay Kotte** has served as GoHealth's Chief Executive Officer since June 6, 2022 and serves on the Company's Board of Directors. Mr. Kotte holds a Bachelor's degree in Business Administration with a focus on Finance and Organizational Management from Emory University and a MBA from Kellogg School of Management, Northwestern University.

**Jason Schulz** has served as GoHealth's Chief Financial Officer since June 6, 2022. Mr. Schulz holds a Bachelor's degree in Business Administration from the University of Northern Colorado, an MBA from Washington University of St. Louis, and is a Certified Management Accountant.

**Shane E. Cruz** has served as GoHealth's Chief Strategy Officer since 2022 and prior to that was the Chief Operating Officer since 2020 and the Chief Technology Officer since 2014. Mr. Cruz holds Bachelor of Science degrees in Computer Science and Engineering and a Master of Engineering in Electrical Engineering and Computer Science from the Massachusetts Institute of Technology.

**Brian Farley** has served as GoHealth's Chief Legal Officer and Corporate Secretary since 2020. Mr. Farley holds a Bachelor of Arts in Political Economics from Colorado College, a Juris Doctor from The George Washington University National Law Center and an Executive Master's in Business Administration from the University of Colorado.

The following table provides information regarding our members of our board of directors as of the date of this Annual Report on Form 10-K:

<b>Name</b>	<b>Age</b>	<b>Position(s)</b>
Clinton P. Jones	45	Co-Founder, Co-Chair of the Board of Directors
Brandon M. Cruz	45	Co-Founder, Co-Chair of the Board of Directors
Vijay Kotte	45	Chief Executive Officer
David Fisher	53	Director
Joseph G. Flanagan	51	Director
Jeremy W. Gelber	47	Director
Alexander E. Timm	34	Director
Christopher Litchford	38	Director
Karolina Hilu	41	Director

**ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES**

Our Class A common stock trades under the symbol "GOCO" on The Nasdaq Global Market and has been publicly traded since July 15, 2020. Prior to this time, there was no public market for our Class A common stock.

As of March 8, 2023, there were 1 and 11 Class A and Class B common stockholders of record, respectively. The number of record holders is based upon the actual number of holders registered on our books at such date and does not include holders of shares in "street names" or persons, partnerships, associations, corporations or other entities identified in security position listings maintained by depository trust companies.

**Recent Sales of Unregistered Securities**

None.

**Dividend Policy**

We currently intend to retain all available funds and any future earnings to fund the development and growth of our business and to repay indebtedness, and therefore we do not anticipate declaring or paying any cash dividends on our Class A common stock in the foreseeable future. Holders of our Class B common stock are not entitled to participate in any dividends declared by our board of directors. The Series A redeemable convertible preferred stock ranks senior to the shares of our Class A common stock and Class B common stock with respect to dividend rights. Dividends on each share of Series A redeemable convertible preferred stock shall accrue at an annual rate equal to 7%, whether or not declared. Holders of Series A-1 convertible preferred stock are only entitled to dividends if we declare such dividends.

Any future determination to declare and pay cash dividends on our Class A common stock, if any, will be made at the discretion of our Board of Directors and will depend on a variety of factors, including applicable laws, our financial condition, results of operations, contractual restrictions, capital requirements, business prospects, general business or financial market conditions, and other factors our Board of Directors may deem relevant.

**Reverse Stock Split**

On November 10, 2022, the Board of Directors approved a resolution to effect a reverse stock split such that every holder of Class A common stock and Class B common stock (together, "Common Stock") received one share of the respective class of stock for every fifteen shares of Common Stock held (the "Reverse Stock Split"). The Reverse Stock Split also adjusted the LLC Interests. The authorized shares and par value per share of the Common Stock and preferred stock were not adjusted as a result of the Reverse Stock Split. With respect to the Series A redeemable convertible preferred stock, the conversion price was automatically adjusted to account for the Reverse Stock Split for such shares. Share and per share amounts of preferred stock were not adjusted as a result of the Reverse Stock Split. The Reverse Stock Split became effective on November 17, 2022.

**Purchase of Equity Securities by the Issuer and Affiliated Purchaser**

A total of 12,732 shares of Class A common stock were withheld to cover the tax liability resulting from the vesting of restricted stock units during the twelve months ended December 31, 2022. These withheld shares are recorded as treasury stock on the Consolidated Balance Sheets.

**ITEM 6. [RESERVED]**

## ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

*This section presents management's perspective on our financial condition and results of operations. The following discussion and analysis is intended to highlight and supplement data and information presented elsewhere in this Annual Report on Form 10-K, including the Consolidated Financial Statements and related Notes, and should be read in conjunction with the accompanying tables. To the extent that this discussion describes prior performance, the descriptions relate only to the periods listed, which may not be indicative of our future financial outcomes. In addition to historical information, this discussion contains forward-looking statements that involve risks, uncertainties and assumptions that could cause results to differ materially from management's expectations. Factors that could cause such differences are discussed in the sections titled "Cautionary Note Regarding Forward-Looking Statements," "Summary Risk Factors" and "Risk Factors" in this Annual Report on Form 10-K. We assume no obligation to update any of these forward-looking statements.*

Unless otherwise noted, all dollars are in thousands. In certain cases, numbers and percentages in the tables below may not foot due to rounding.

### Overview

We are a leading health insurance marketplace and Medicare-focused digital health company whose mission is to improve access to healthcare in America. Our proprietary technology platform leverages modern machine-learning algorithms powered by nearly two decades of insurance behavioral data to reimagine the optimal process for helping individuals find the best health insurance plan for their specific needs. Our differentiated combination of a vertically integrated consumer acquisition platform and highly skilled and trained agents has enabled us to enroll millions of people in Medicare and individual and family plans since our inception. With a current commissionable market of nearly \$30 billion, over 10,000 Americans turning 65 years old every day and our significant presence in the Medicare space, we believe we will continue to be one of the top choices for insurance advice to help navigate one of the most important purchasing decisions individuals make.

### Update on Business Trends and Strategy

The Company is part of a dynamic market and, as expectations evolve, the Company likewise works to evolve in parallel its business strategies and priorities. The pressures on LTVs in 2021 that we previously observed and discussed have continued throughout 2022, as beneficiaries appear to change plans more frequently. In response to these market pressures, during 2022, the Company focused its efforts on delivering efficiency, with an emphasis on optimization as opposed to revenue maximization. As a result, we refined the size of our sales force to align with our focus on quality, and we expanded our Encompass Solution by offering Encompass Connect and Encompass Engage to our health plan partner members. Our Encompass Solution moves away from the traditional LTV revenue structure and, alternatively, cash is collected in advance or in close proximity to the point in time revenue is recognized.

Encompass Connect is designed to focus on consumer acquisition and to provide enrollment related services to our participating partners. Using machine learning technology, our agents aim to effectively qualify and match individuals with the best plan. This combination of technology and experienced agents delivers a personalized matching process that incorporates consumers' top priorities and helps them to understand associated tradeoffs across various benefits as they select and enroll in a plan.

Encompass Engage includes post-enrollment member outreach and engagement services. Our agents strive to alleviate the confusion that beneficiaries often feel by facilitating an onboarding experience customized to a members' plan and health needs.

With leading proprietary technology and consumer insights, our end-to-end Encompass Solution offers a differentiated way for Medicare beneficiaries to navigate the complex Medicare Advantage plan selection process and begin to utilize their new plan benefits with greater confidence. By working closely with our benefit consultants and dedicated health plan enrollment specialists, individuals can better understand the plan options available and receive more detailed, plan-specific information during the enrollment process. Coupled with the execution of our new member onboarding action plans, beneficiaries who enroll through our Encompass Solution exhibit higher customer persistency.

Additionally, the Company made the strategic decision to exit its non-Encompass BPO Services, or services in which we dedicate certain agents to specific health plan partners and agencies outside of the Encompass Solution, to focus on its core business. The financial benefit of this change will begin to flow through the Company's results in the second quarter of 2023, while the exit is expected to be complete in the third quarter of 2023. During the year ended December 31, 2022, non-Encompass BPO Services contributed \$110.9 million of net revenue.

### Ownership

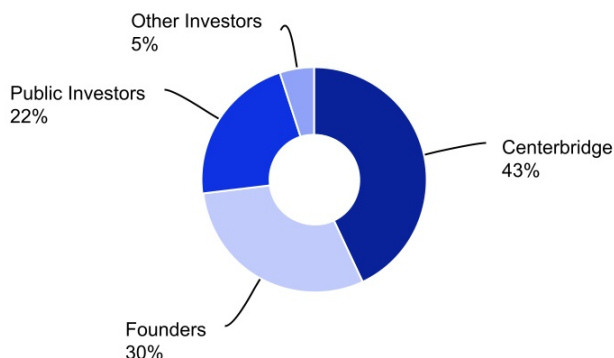
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GoHealth, Inc. is the sole managing member of GoHealth Holdings, LLC. Although we have a minority economic interest in GoHealth Holdings, LLC, we have the sole voting interest in, and control of the business and affairs of, GoHealth Holdings, LLC and its direct and indirect subsidiaries. As a result, GoHealth, Inc. consolidates GoHealth Holdings, LLC and records significant



non-controlling interests in a consolidated entity in GoHealth, Inc.'s Consolidated Financial Statements for the economic interest in GoHealth Holdings, LLC held directly or indirectly by the Continuing Equity Owners. The weighted average ownership percentages for the applicable reporting periods are used to attribute net income (loss) and other comprehensive income (loss) to the Company and the non-controlling interest holders. The non-controlling interest holders' weighted average ownership percentages for the twelve months ended December 31, 2022, 2021, and 2020 were 61.1%, 67.0% and 73.8%, respectively.

The percentage ownership of total shares of Class A and Class B common stock issued and outstanding as of December 31, 2022, is as follows:



The percentage of ownership noted above is inclusive of only Class A and Class B common stock issued and outstanding. It does not include the Series A redeemable convertible preferred stock or the impact of any conversion of such, should a conversion occur. For more information on the Series A redeemable convertible preferred stock, please refer to Note 6, "Stockholders' Equity" of the Notes to Consolidated Financial Statements.

GoHealth, Inc. is subject to U.S. federal, state and local income taxes with respect to our allocable share of any taxable income of GoHealth Holdings, LLC and is taxed at the prevailing corporate tax rates. In addition to tax expenses, we also incur expenses related to our status as a public company, plus payment obligations under the Tax Receivable Agreement, which could be significant. We intend to cause GoHealth Holdings, LLC to make distributions to us in an amount sufficient to allow us to pay these expenses and fund any payments due under the Tax Receivable Agreement.

## Results of Operations

The following is a discussion and analysis of changes in the financial condition and results of operations for fiscal year 2022 compared to fiscal year 2021. A discussion and analysis regarding our results of operations for fiscal year 2021 compared to fiscal year 2020 that are not included in this Annual Report on Form 10-K can be found in our Annual Report on Form 10-K filed with the SEC on March 16, 2022.

The following table sets forth the components of our results of operations for the periods presented:

(in thousands)	Twelve months ended Dec. 31,		
	2022	2021	2020
	Dollars	Dollars	Dollars
<b>Net revenues:</b>			
Commission	\$ 341,467	\$ 881,263	\$ 671,140
Enterprise	290,208	181,152	206,210
<b>Net revenues</b>	<b>631,675</b>	<b>1,062,415</b>	<b>877,350</b>
<b>Operating expenses:</b>			
Cost of revenue	187,670	239,335	199,202
Marketing and advertising expense	207,559	365,141	206,864
Customer care and enrollment	260,902	319,103	165,497
Technology expense	46,094	48,429	59,348
General and administrative	116,530	98,183	197,229
Amortization of intangible assets	94,057	94,056	94,056
Operating lease impairment charges	25,345	1,062	—
Restructuring and other related charges	12,184	—	—
Goodwill impairment charges	—	386,553	—
Change in fair value of contingent consideration liability	—	—	19,700
<b>Total operating expenses</b>	<b>950,341</b>	<b>1,551,862</b>	<b>941,896</b>
Income (loss) from operations	(318,666)	(489,447)	(64,546)
Interest expense	57,069	33,505	32,969
Loss on extinguishment of debt	—	11,935	—
Other (income) expense, net	(115)	(669)	(358)
<b>Income (loss) before income taxes</b>	<b>(375,620)</b>	<b>(534,218)</b>	<b>(97,157)</b>
Income tax expense (benefit)	764	(24)	43
<b>Net income (loss)</b>	<b>\$ (376,384)</b>	<b>\$ (534,194)</b>	<b>(97,200)</b>
Net income (loss) attributable to noncontrolling interests	(227,678)	(344,837)	(52,933)
<b>Net income (loss) attributable to GoHealth, Inc.</b>	<b>\$ (148,706)</b>	<b>\$ (189,357)</b>	<b>\$ (44,267)</b>
<i>Non-GAAP financial measures:</i>			
EBITDA	\$ (211,549)	\$ (393,206)	\$ 34,364
Adjusted EBITDA	\$ (129,776)	\$ 33,821	\$ 271,029
Adjusted EBITDA margin	(20.5)%	3.2 %	30.9 %

The following are our components of net revenue and results thereof for the twelve months ended December 31, 2022 and 2021:

Commission net revenues	Twelve months ended Dec. 31,				% of Net Revenues	
	2022	2021	\$ Change	% Change	2022	2021
	\$ 341,467	\$ 881,263	\$ (539,796)	(61.3)%	54.1%	82.9%

The \$539.8 million, or 61.3% decrease was primarily attributable to reduced agent headcount and lower penetration through commissions revenue in the Medicare-Internal segment, which reflects the expansion of the Encompass Solution within enterprise revenue. Additionally, we recorded an increase of \$110.3 million in negative revenue adjustments relating to performance obligations satisfied in prior periods. These negative revenue adjustments relate to the pressures we are seeing on LTVs as beneficiaries change plans more frequently, resulting in a lower plan duration than estimated. This decline was partially offset by an increase in commissions net revenues in the Medicare-External segment.

Enterprise net revenues	Twelve months ended Dec. 31,				% of Net Revenues	
	2022	2021	\$ Change	% Change	2022	2021
	\$ 290,208	\$ 181,152	\$ 109,056	60.2 %	45.9%	17.1%

The \$109.1 million or 60.2%, increase was primarily attributable to an increase of \$105.2 million related to Encompass revenue. We attained higher penetration through the Encompass Solution during the twelve months ended December 31, 2022, which contributed to a corresponding decrease in sales volume within commissions net revenues in the Medicare-Internal segment.

The following are our key components of operating expenses and results thereof for the twelve months ended December 31, 2022 and 2021:

Cost of revenue	Twelve months ended Dec. 31,				% of Net Revenues	
	2022	2021	\$ Change	% Change	2022	2021
	\$ 187,670	\$ 239,335	\$ (51,665)	(21.6)%	29.7%	22.5%

The \$51.7 million, or 21.6%, decrease was primarily attributable to a \$29.6 million increase in the cost of revenue impact of negative revenue adjustments relating to performance obligations satisfied in prior periods as well as declines in certain direct partner campaigns with revenue-sharing components, resulting in a decrease in cost of revenue. The decline was partially offset by a 30.9% increase in Submissions within the Medicare—External segment, which increased the amount of expense we recognized pursuant to our revenue-sharing agreements with external agents and other partners.

Marketing and advertising expense	Twelve months ended Dec. 31,				% of Net Revenues	
	2022	2021	\$ Change	% Change	2022	2021
	\$ 207,559	\$ 365,141	\$ (157,582)	(43.2)%	32.9%	34.4%

The \$157.6 million, or 43.2%, decrease was primarily attributable to an intentional pullback on marketing and advertising spend as we focused on cash flow optimization.

Customer care and enrollment	Twelve months ended Dec. 31,				% of Net Revenues	
	2022	2021	\$ Change	% Change	2022	2021
	\$ 260,902	\$ 319,103	\$ (58,201)	(18.2)%	41.3%	30.0%

The \$58.2 million, or 18.2%, decrease was primarily attributable to intentional downsizing of our sales force to align with our strategic focus on quality and optimization.

Technology expense	Twelve months ended Dec. 31,				% of Net Revenues	
	2022	2021	\$ Change	% Change	2022	2021
	\$ 46,094	\$ 48,429	\$ (2,335)	(4.8)%	7.3%	4.6%

The \$2.3 million, or 4.8%, decrease was primarily attributable to reduced headcount in our technology support functions during the year.

General and administrative	Twelve months ended Dec. 31,				% of Net Revenues	
	2022	2021	\$ Change	% Change	2022	2021
	\$ 116,530	\$ 98,183	\$ 18,347	18.7 %	18.4%	9.2%

The \$18.3 million, or 18.7%, increase was primarily attributable to a \$7.7 million increase in share-based compensation expense, a \$5.2 million increase in consulting fees, and \$2.2 million of executive severance expense. The remaining increase was driven by investments in corporate infrastructure, such as legal, human resources and finance.

Amortization of intangible assets	Twelve months ended Dec. 31,				% of Net Revenues	
	2022	2021	\$ Change	% Change	2022	2021
	\$ 94,057	\$ 94,056	\$ 1	— %	14.9%	8.9%

Amortization of intangible assets expense was \$94.1 million for both the twelve months ended December 31, 2022 and 2021, and relates to the amortization of developed technology and customer relationships.



GAAP financial measures may not be comparable to similarly titled measures of other companies. Other companies, including companies in our industry, may calculate non-GAAP financial measures differently than we do, limiting the usefulness of those measures for comparative purposes.

The non-GAAP financial measures are not meant to be considered as indicators of performance in isolation from or as a substitute for net income (loss) prepared in accordance with GAAP, and should be read only in conjunction with financial information presented on a GAAP basis. Reconciliations of each of EBITDA and Adjusted EBITDA to its most directly comparable GAAP financial measure, net income (loss), are presented in the tables below in this Annual Report on Form 10-K. We encourage you to review the reconciliations in conjunction with the presentation of the non-GAAP financial measures for each of the periods presented. In future periods, we may exclude similar items, may incur income and expenses similar to these excluded items and include other expenses, costs and non-recurring items.

The following table sets forth the reconciliations of GAAP net income (loss) to EBITDA and Adjusted EBITDA for the periods presented:

Non-GAAP Financial Measures	Twelve months ended Dec. 31,		
	2022	2021	2020
<b>Net revenues</b>	<b>\$ 631,675</b>	<b>\$ 1,062,415</b>	<b>\$ 877,350</b>
Net income (loss)	(376,384)	(534,194)	(97,200)
Interest expense	57,069	33,505	32,969
Income tax expense (benefit)	764	(24)	43
Depreciation and amortization expense	107,002	107,507	98,552
<b>EBITDA</b>	<b>(211,549)</b>	<b>(393,206)</b>	<b>34,364</b>
Share-based compensation expense (1)	32,124	27,297	6,929
Operating lease impairment charges (2)	25,345	1,062	—
Restructuring and other related charges (3)	12,184	—	—
Professional services (4)	4,752	—	—
Severance costs (5)	3,340	—	77
Legal fees (6)	3,478	180	—
Other (income) loss related to the adjustment of liabilities under the Tax Receivable Agreement (7)	550	—	—
Loss on extinguishment of debt (8)	—	11,935	—
Goodwill impairment charges (9)	—	386,553	—
Accelerated vesting of certain equity awards (10)	—	—	209,300
Change in fair value of contingent consideration liability (11)	—	—	19,700
IPO transactions costs (12)	—	—	659
<b>Adjusted EBITDA</b>	<b>\$ (129,776)</b>	<b>\$ 33,821</b>	<b>\$ 271,029</b>
<b>Adjusted EBITDA margin</b>	<b>(20.5)%</b>	<b>3.2 %</b>	<b>30.9 %</b>

(1) Represents non-cash share-based compensation expense relating to equity awards, as well share-based compensation expense relating to liability classified awards that will be settled in cash.

(2) Represents operating lease impairment charges, reducing the carrying value of the associated ROU assets and leasehold improvements to the estimated fair values.

(3) Represents employee termination benefits and other associated costs related to restructuring activities, as described in Note 15. "Restructuring Costs" of the Notes to Consolidated Financial Statements.

(4) Represents costs associated with non-recurring consulting fees and other professional services.

(5) Represents costs associated with the termination of employment and associated fees unrelated to restructuring activities.

(6) Represents non-recurring legal fees unrelated to our core operations.

(7) Represents expense related to the measurement of our Tax Receivable Agreement obligation.

(8) Represents the loss on debt extinguishment related to the Initial Term Loan Facility.

(9) Represents goodwill impairment charges related to the Medicare—Internal and Medicare—External reporting units for the twelve months ended December 31, 2021.

(10) Represents non-cash share-based compensation expense relating to the accelerated vesting of performance-vesting units in connection with the IPO for the twelve months ended December 31, 2020.

(11) Represents the change in fair value of the contingent consideration liability due to the predecessor owners of the Company arising from the Centerbridge Acquisition.

(12) Represents legal, accounting, consulting, and other indirect costs associated with the Company's IPO.

Adjusted EBITDA	Twelve months ended Dec. 31,				% of Net Revenues	
	2022	2021	\$ Change	% Change	2022	2021
	\$ (129,776)	\$ 33,821	\$ (163,597)	(483.7)%	(20.5)%	3.2%

The decrease for the twelve months ended December 31, 2022 compared to the prior year period was primarily due to period-over-period declines in net revenues in the Medicare—Internal segment, as well as an increase of \$80.7 million in the net impact of negative revenue adjustments relating to performance obligations satisfied in prior periods. The decline was partially offset by a decline in costs associated with reduced headcount and a pullback on marketing and advertising spend.

## Our Segments

Our operating segments have been determined in accordance with Accounting Standards Codification (“ASC”) 280, *Segment Reporting*. The segment measurements provided to and evaluated by the chief operating decision maker are described in the Notes to Consolidated Financial Statements included in Item 8 to this Annual Report on Form 10-K. These results should be considered in addition to, not as a substitute for, results reported in accordance with GAAP.

We are organized under the following four reportable segments: (1) **Medicare—Internal**, (2) **Medicare—External**, (3) **Individual and Family Plans (“IFP”) and Other—Internal** and (4) **IFP and Other—External**. The basis for our segmentation is product type and distribution channel. We organize the segments by product type, Medicare and IFP and Other, as well as by distribution channel, internal and external, as further described below. In addition, we separately report other expenses (classified as “Corporate expenses” in our financial statements), the primary components of which are corporate overhead expenses and shared service expenses that have not been allocated to the operating segments. The segment results provided herein may not be comparable to other companies. We refer to the Medicare—Internal and Medicare—External segments collectively as the “Medicare segments” and the IFP and Other—Internal and IFP and Other—External segments as the “IFP and Other segments.”

(in thousands)	Twelve months ended Dec. 31,		
	2022	2021	2020
<i>Net revenues:</i>			
Medicare—Internal	\$ 421,273	\$ 844,894	\$ 667,293
Medicare—External	189,886	189,563	155,660
IFP and Other—Internal	17,972	19,687	32,271
IFP and Other—External	2,544	8,271	22,126
Net revenues	631,675	1,062,415	877,350
<i>Segment profit (loss):</i>			
Medicare—Internal	(43,382)	84,345	296,865
Medicare—External	(31,260)	2,622	5,944
IFP and Other—Internal	4,654	2,819	4,269
IFP and Other—External	(1,502)	245	1,910
Segment profit (loss)	(71,490)	90,031	308,988
Corporate expense (1)	115,590	97,807	259,778
Amortization of intangible assets	94,057	94,056	94,056
Operating lease impairment charges	25,345	1,062	—
Restructuring and other related charges	12,184	—	—
Change in fair value of contingent consideration liability	—	—	19,700
Loss on extinguishment of debt	—	11,935	—
Goodwill impairment charges	—	386,553	—
Interest expense	57,069	33,505	32,969
Other (income) expense, net	(115)	(669)	(358)
<b>Income (loss) before income taxes</b>	<b>\$ (375,620)</b>	<b>\$ (534,218)</b>	<b>\$ (97,157)</b>

(1) The twelve months ended December 31, 2022 and 2021 includes \$32.1 million and \$27.3 million of share-based compensation expense associated with awards with service and performance conditions. The twelve months ended December 31, 2020 includes \$6.9 million of share-based compensation expense associated with awards with service conditions, and \$209.3 million of share-based compensation expense associated with the accelerated vesting of the Performance-Vesting Units in connection with the IPO.

### Medicare-Internal Segment

The Medicare—Internal segment relates to sales of products and plans by GoHealth-employed agents offering qualified prospects plans from multiple health plan partners including through the Encompass Solution, GoHealth-employed agents offering qualified prospects plans on a health plan partner-specific basis, or sales of products and plans through our online platform without the assistance of our agents, which we refer to as DIY. In this segment, we sell Medicare Advantage, Medicare Supplement, Medicare prescription drug plans and Medicare Special Needs Plans, or SNPs. We earn revenue in this segment through commissions paid by health plan partners based on sales we generated, as well as enrollment fees, hourly fees and other fees for services performed for specific health plan partners and other partners.

Medicare-Internal Net Revenues	Twelve months ended Dec. 31,				% of Net Revenues	
	2022	2021	\$ Change	% Change	2022	2021
	\$ 421,273	\$ 844,894	\$ (423,621)	(50.1)%	66.7%	79.5%

The \$423.6 million, or 50.1%, decrease was primarily attributable to reduced agent headcount, resulting in a 39.5% decrease in Submissions in the Medicare—Internal segment. This reduced agent headcount resulted from our strategic focus on revenue quality over quantity and cash flow optimization. The decline was also attributable to an increase of \$83.7 million in negative revenue adjustments relating to performance obligations satisfied in prior periods. The decline was partially offset by favorable unit economics for sales through the Encompass Solution.

Medicare-Internal Segment Profit (Loss)	Twelve months ended Dec. 31,				% of Segment Profit (Loss)	
	2022	2021	\$ Change	% Change	2022	2021
	\$ (43,382)	\$ 84,345	\$ (127,727)	(151.4)%	(6.9)%	7.9%

The \$127.7 million, or 151.4%, decrease was primarily attributable to an increase of \$78.0 million in the net impact of negative revenue adjustments relating to performance obligations satisfied in prior periods. This was coupled with incremental marketing and advertising spend in the first quarter of 2022 relative to the prior year period to capitalize on the Medicare Advantage Open Enrollment Period. The decline was partially offset by our more efficient operating model where we realized improvements in effectuation rates and contractual changes through our Encompass Solution.

### Medicare-External Segment

The Medicare—External segment relates to sales of products and plans under GoHealth’s health plan partner contracts using an independent, national network of agents or external agencies, which are not employed by GoHealth. These agents utilize our technology and platform to enroll consumers in health insurance plans and provide us with a means to earn a return on leads that otherwise may have not been addressed. In this segment, we sell Medicare Advantage, Medicare Supplement, Medicare prescription drug plans, and SNPs. We earn revenue in this segment through commissions paid by health plan partners as a result of policy sales.

Medicare-External Net Revenues	Twelve months ended Dec. 31,				% of Net Revenues	
	2022	2021	\$ Change	% Change	2022	2021
	\$ 189,886	\$ 189,563	\$ 323	0.2 %	30.1%	17.8%

The \$0.3 million, or 0.2%, increase was primarily attributable to a 30.9% increase in Submissions in the Medicare—External segment, due to our ability to recruit and onboard additional external agents to enroll consumers in Medicare plans using our technology and platform. The increase was partially offset by an increase of \$26.6 million in negative revenue adjustments relating to performance obligations satisfied in prior periods.

Medicare-External Segment Profit (Loss)	Twelve months ended Dec. 31,				% of Segment Profit (Loss)	
	2022	2021	\$ Change	% Change	2022	2021
	\$ (31,260)	\$ 2,622	\$ (33,882)	NM	(4.9)%	0.2%

The \$33.9 million decrease was primarily attributable to an increase in the amount of expense we recognized pursuant to our revenue-sharing agreements with external agents and other partners as well as an increase of \$2.7 million in the net impact of negative revenue adjustments relating to performance obligations satisfied in prior periods.

### IFP and Other Segments

The IFP and Other—Internal segment relates to sales of products and plans by GoHealth-employed agents offering qualified prospects plans from multiple health plan partners, GoHealth-employed agents offering qualified prospects plans on a health plan partner-specific basis, or DIY. In this segment, we sell individual and family plans, dental plans, vision plans and other ancillary plans to individuals who are not Medicare-eligible. We earn revenue in this segment through commissions paid by health plan partners based on sales we generate, as well as enrollment fees, and hourly fees and other fees for services performed for specific health plan partners and other partners.

The IFP and Other—External segment relates to sales of products and plans under GoHealth’s health plan partner contracts using external agencies, who use agents that are not employed by GoHealth. These agents utilize our technology and platform to enroll consumers in health insurance plans. We also sell consumer leads generated by us to external agencies. In this segment, we sell individual and family plans, dental plans, vision plans and other ancillary plans to individuals who are not

Medicare-eligible. We earn revenue in this segment through commissions paid by health plan partners as a result of policy sales, as well as sales of consumer leads to external agencies.

Net Revenues	Twelve months ended Dec. 31,				% of Net Revenues	
	2022	2021	\$ Change	% Change	2022	2021
IFP and Other—Internal	\$ 17,972	\$ 19,687	\$ (1,715)	(9)%	2.8%	1.9%
IFP and Other—External	2,544	8,271	(5,727)	(69)%	0.4%	0.8%

For both the IFP and Other—Internal and External segments, the decreases were driven by less investment in these segments and a strategic shift towards higher margin Medicare products.

Segment Profit (Loss)	Twelve months ended Dec. 31,				% of Net Revenues	
	2022	2021	\$ Change	% Change	2022	2021
IFP and Other—Internal	\$ 4,654	\$ 2,819	\$ 1,835	65 %	0.7%	0.3%
IFP and Other—External	(1,502)	245	(1,747)	(713)%	(0.2)%	NM

For the IFP and Other—Internal segment, the increase was attributable to a reduction in operating costs. For the IFP and Other—External segment, the decrease was primarily driven by a change in product mix sold by external agencies, as well as an overall strategic shift towards higher margin Medicare products.

## Key Business Performance and Operating Metrics

In addition to traditional financial metrics, we rely upon certain business and operating metrics to evaluate our business performance and facilitate our operations. Below are the most relevant business and operating metrics for each segment, except for EBITDA and Adjusted EBITDA, which are not presented on a segment basis.

### Submissions

#### Medicare Segments

Submissions are counted when an individual either (i) completes an application with our licensed agent that is submitted to the health plan partner and subsequently approved by the health plan partner during the indicated period, excluding applications through our dedicated services programs where GoHealth-employed agents are dedicated to certain health plan partners and agencies we partner with or (ii) is transferred by our agent to the health plan partner through the Encompass marketplace during the indicated period. Not all Submissions will go into effect, as some individuals may fail to enroll or once enrolled may switch out of a policy within the disenrollment period during the first 90 days of the policy.

The following tables present the number of Submissions by product for each of the Medicare segments for the periods presented.



Submissions	Twelve months ended Dec. 31,		
	2022	2021	2020
<i>Medicare-Internal</i>			
Medicare Advantage	482,356	793,267	419,815
Medicare Supplement	281	1,025	2,456
Prescription Drug Plans	11,347	22,322	11,705
<b>Medicare-Internal Submissions</b>	<b>493,984</b>	<b>816,614</b>	<b>433,976</b>
<i>Medicare-External</i>			
Medicare Advantage	346,900	266,795	158,325
Medicare Supplement	458	2,531	5,254
Prescription Drug Plans	21,314	12,344	3,036
<b>Medicare-External Submissions</b>	<b>368,672</b>	<b>281,670</b>	<b>166,615</b>
<i>Total Submissions</i>			
Medicare Advantage	829,256	1,060,062	578,140
Medicare Supplemental	739	3,556	7,710
Prescription Drug Plans	32,661	34,666	14,741
<b>Total Medicare Submissions</b>	<b>862,656</b>	<b>1,098,284</b>	<b>600,591</b>

Medicare—Internal Submissions were 493,984 and 816,614 for the twelve months ended December 31, 2022 and 2021, respectively. The decrease was attributable to a decrease in agent headcount and associated opportunities resulting from our strategic focus on cash flow optimization, which was driven by a 43% decline in marketing and advertising expense.

Medicare—External Submissions were 368,672 and 281,670 for the twelve months ended December 31, 2022 and 2021, respectively. The increase was attributable to our ability to recruit and onboard additional external agents to enroll consumers in Medicare plans.

## Sales Per Submission

### Medicare Segments

Revenue per Submissions represents (x) the sum of (i) aggregate commissions estimated to be collected over the estimated life of all commissionable Submissions for the relevant period based on multiple factors, including but not limited to, contracted commission rates, health plan partner mix and expected policy persistency with applied constraints, excluding revenue adjustments recorded in the period, but relating to performance obligations satisfied in prior periods, (ii) Encompass revenue, and (iii) partner marketing and enrollment services, divided by (y) the number of Submissions for such period, as reported above. Aggregate commissions is equal to the sum of the commission revenue due upon the initial sale of a policy, and when applicable, an estimate of future renewal commissions per commissionable Submissions, and this figure excludes commissions through dedicated services programs where GoHealth-employed agents are dedicated to certain health plan partners and agencies we partner with. The estimate of the future renewal commissions is determined by using the contracted renewal commission rates constrained by a persistency-adjusted renewal period. The persistency-adjusted renewal period is determined based on our historical experience and available industry and health plan partner historical data. Persistency-adjustments allow us to estimate renewal revenue only to the extent probable that a material reversal in revenue would not be expected to occur. These factors may result in varying values from period to period. Sales per Submission represents revenues only from policies sold during the period, but excludes policies originally submitted in prior periods.

The following table presents the Sales per Submission by product for the Medicare segments for the periods presented:

Sales Per Submission	Twelve months ended Dec. 31,		
	2022	2021	2020
Medicare Advantage	\$ 929	\$ 813	\$ 1,013
Medicare Supplement	\$ 965	\$ 853	\$ 838
Prescription Drug Plans	\$ 109	\$ 215	\$ 215

The increase in Sales per Submission for Medicare Advantage was driven by our more efficient operating model where we realized improvements in effectuation rates and contractual changes through our Encompass platform.

The changes in Sales per Submission for Medicare Supplement and prescription drug plans were primarily due to changes in health plan partner mix.

## Sales/Cost of Submission

## Medicare Segments

Sales/Cost of Submission represents (x) the sum of (i) aggregate commissions estimated to be collected over the estimated life of all commissionable Submissions for the relevant period based on multiple factors, including but not limited to, contracted commission rates, health plan partner mix and expected policy persistency with applied constraints, excluding revenue adjustments recorded in the period, but relating to performance obligations satisfied in prior periods, (ii) Encompass revenue, and (iii) partner marketing and enrollment services, divided by (y) the cost to convert a prospect into a Submission (comprised of cost of revenue, marketing and advertising expenses and customer care and enrollment expenses) for such period. Sales and Cost of Submissions exclude amounts related to commissions through dedicated services programs where GoHealth-employed agents are dedicated to certain health plan partners and agencies we partner with. The estimate of the future renewal commissions is determined by using the contracted renewal commission rates constrained by a persistency-adjusted renewal period. The persistency-adjusted renewal period is determined based on our historical experience and available industry and health plan partner historical data. Persistency-adjustments allow us to estimate renewal revenue only to the extent probable that a material reversal in revenue would not be expected to occur. These factors may result in varying values from period to period. See "Risk Factors—Risks Related to Our Business—Our operating results may be adversely impacted by factors that impact our estimate of LTV" in this Annual Report on Form 10-K.

The following are our Sales/Cost of Submission as well as our Cost of Submission, for our Medicare segments for the twelve months ended December 31, 2022 and 2021:

	Twelve months ended Dec. 31,		
	2022	2021	2020
Sales/Cost of Submission	\$ 1.3	\$ 1.1	\$ 1.4
Cost of Submission	\$ 589,985	\$ 781,515	\$ 416,202

The increase in Sales/Cost of Submission is attributable to our strategic shift towards the Encompass model with improved operating efficiencies.

## Recent Accounting Pronouncements

For a discussion of new accounting pronouncements recently adopted and not yet adopted, see Note 1. "Description of Business and Significant Accounting Policies," to the Consolidated Financial Statements included in Item 8 to this Annual Report on Form 10-K.

## Liquidity and Capital Resources

### Overview

Our liquidity needs primarily include working capital and debt service requirements. At December 31, 2022, cash and cash equivalents totaled \$16.5 million. We believe that our current sources of liquidity, which include cash and cash equivalents and funds available under the Credit Facilities, as described further below, will be sufficient to meet our projected operating and debt service requirements for at least the next 12 months. During the year ended December 31, 2022, we raised \$50.0 million through the issuance and sale of Series A redeemable convertible preferred stock. Short-term liquidity needs will primarily be funded through the Revolving Credit Facilities, as described further below, if necessary. As of December 31, 2022, the Company had no amounts outstanding under the Revolving Credit Facilities and had a remaining capacity of \$200.0 million. To the extent that our current liquidity is insufficient to fund future activities, we may need to raise additional funds, which may include the sale of equity securities or through debt financing arrangements. The incurrence of additional debt financing would result in debt service obligations, and any future instruments governing such debt could provide for operating and financing covenants that could restrict our operations.

The following table presents a summary of cash flows for the twelve months ended December 31, 2022, 2021, and 2020;

(in thousands)	Twelve months ended Dec. 31,		
	2022	2021	2020
Net cash provided by (used in) operating activities	\$ 60,904	\$ (299,006)	\$ (114,217)
Net cash used in investing activities	\$ (13,512)	\$ (19,801)	\$ (14,523)
Net cash (used in) provided by financing activities	\$ (115,051)	\$ 259,089	\$ 260,663

### Operating Activities

Cash provided by (used in) operating activities primarily consists of net income (loss) adjusted for certain non-cash items including share-based compensation, depreciation and amortization, amortization of intangible assets, amortization of debt discount and issuance costs, goodwill impairment charges, loss on extinguishment of debt, operating lease impairment charges, non-cash restructuring charges; non-cash lease expense and the effect of changes in working capital and other activities.

Collection of commissions receivable depends upon the timing of the receipt of commission payments. If there were to be a delay in receiving a commission payment from a health plan partner within a quarter, the operating cash flows for that quarter could be adversely impacted.

A significant portion of marketing and advertising expense is driven by the number of qualified prospects required to generate the Submissions. Marketing and advertising costs are expensed and generally paid as incurred and since commission revenue is recognized upon approval of a submission but commission payments are paid to us over time, there are working capital requirements to fund the upfront cost of acquiring new policies.

Net cash provided by operating activities was \$60.9 million for the twelve months ended December 31, 2022, compared to cash used in operating activities of \$299.0 million for the twelve months ended December 31, 2021. The \$359.9 million increase is primarily driven by a decrease in net loss of \$157.8 million, a decrease in commissions receivable of \$684.2 million, an increase in deferred revenue of \$50.3 million, a decrease in prepaid expenses and other current assets of \$20.8 million, a decrease in accounts receivable of \$15.3 million, an increase in other liabilities of \$9.1 million, and other adjustments for non-cash items of \$10.4 million, partially offset by a decrease in accounts payable of \$55.3 million, a decrease in commissions payable of \$120.9 million, and a decrease in accrued liabilities of \$25.2 million.

#### *Investing Activities*

Net cash used in investing activities decreased to \$13.5 million for the twelve months ended December 31, 2022, from \$19.8 million for the twelve months ended December 31, 2021. The decrease was primarily driven by a decrease in purchases of property and equipment and a decrease in capitalized internal-use software related to new technology, software, and systems. The Company is forecasting to increase its investment in developing technologies to support the continued growth in the Encompass Solution.

#### *Financing Activities*

Net cash used in financing activities was \$115.1 million for the twelve months ended December 31, 2022, from net cash provided by financing activities of \$259.1 million for the twelve months ended December 31, 2021. During the twelve months ended December 31, 2022, the Company repaid \$160.3 million on outstanding debt. This was partially offset by the issuance of 50,000 shares of Series A redeemable convertible preferred stock for an aggregate purchase price of \$50.0 million recorded at fair value upon issuance, gross of issuance costs of \$1.6 million. During the twelve months ended December 31, 2021, the Company received proceeds from borrowings, net of repayments and call premium paid on debt extinguishment, of \$147.0 million.

#### *Credit Facilities*

##### Term Loan Facilities

On September 13, 2019, Norvax (the "Borrower") entered into a first lien credit agreement (the "Credit Agreement") which provided for a \$300.0 million aggregate principal amount senior secured term loan facility (the "Initial Term Loan Facility"). During 2020, the Company entered into a series of amendments to the Credit Agreement to provide for, among other items as further described below, \$117.0 million of incremental term loans (the "Incremental Term Loan Facility"). On March 23, 2020, the Company issued 444,444 of GHH, LLC Class B common units to a lender that is party to the Company's Credit Agreement for \$10.0 million in proceeds. The Company incurred \$6.0 million of debt issuance costs associated with the Incremental Term Loan Facility, which are being amortized over the life of the debt to interest expense using the effective interest method.

On June 11, 2021, the Company entered into Amendment No. 5 to the Credit Agreement and Incremental Facility Agreement ("Amendment No. 5"). Amendment No. 5 created a new class of incremental term loans (the "2021 Incremental Term Loans") in an aggregate principal amount equal to \$310.0 million, which was used to refinance \$295.5 million of outstanding principal under the Initial Term Loan Facility, pay the related accrued interest and fund the prepayment premium. In connection with Amendment No. 5 and the refinancing of the Initial Term Loan, the Company recognized an \$11.9 million loss on debt extinguishment, representing the 2% prepayment premium of \$5.9 million and the write-down of deferred financing costs and debt discounts of \$6.0 million. The Company incurred \$1.7 million of debt issuance costs associated with Amendment No. 5, which are being amortized over the life of the debt to interest expense using the effective interest method.

On November 10, 2021, the Company entered into Amendment No. 6 to the Credit Agreement and Incremental Facility Agreement ("Amendment No. 6"). Amendment No. 6 provides \$100.0 million of incremental term loans (the "2021-2 Incremental Term Loans"). The Company incurred \$2.5 million of debt issuance costs associated with Amendment No. 6, which are being amortized over the life of the debt to interest expense using the effective interest method.

On March 14, 2022, the Company entered into Amendment No. 7 to the Credit Agreement and Incremental Facility Agreement (“Amendment No. 7”). Amendment No. 7 provided that (a) the 2021 Incremental Term Loans, from and after the Amendment No. 7 Effective Date, will bear interest at either (i) alternate base rate (“ABR”) plus 5.50% per annum or (ii) LIBOR plus 6.50% per annum and (b) the 2021-2 Incremental Term Loans, from and after the Amendment No. 7 Effective Date, will bear interest at either (i) ABR plus 5.50% per annum or (ii) LIBOR plus 6.50% per annum. Amendment No. 7 further amended the Credit Agreement to remove testing of the Net Leverage Ratio for the December 31, 2021 period and increased the maximum permitted Net Leverage Ratio for future reporting periods through March 31, 2023. The Company incurred \$1.7 million of debt issuance costs associated with Amendment No. 7, which are being amortized over the life of the debt to interest expense using the effective interest method.

On August 12, 2022, the Company entered into Amendment No. 8 to the Credit Agreement and Incremental Facility Agreement (“Amendment No. 8”). Amendment No. 8 provided that (a) the 2021 Incremental Term Loans, from and after the Amendment No. 8 Effective Date, will bear interest at either (i) ABR plus 6.50% per annum or (ii) LIBOR plus 7.50% per annum and (b) the 2021-2 Incremental Term Loans, from and after the Amendment No. 8 Effective Date, will bear interest at either (i) ABR plus 6.50% per annum or (ii) LIBOR plus 7.50% per annum. Amendment No. 8 further amended the Credit Agreement to increase the maximum permitted Net Leverage Ratio for future reporting periods from December 31, 2022 through June 30, 2023. The Company incurred \$1.0 million of debt issuance costs associated with Amendment No. 8, which are being amortized over the life of the debt to interest expense using the effective interest method.

On November 9, 2022, the Company entered into Amendment No. 9 to the Credit Agreement (“Amendment No. 9”). Amendment No. 9 provided that the Incremental Term Loan, from and after the Amendment No. 8 Effective Date, will bear interest at either (i) ABR plus 6.50% per annum or (ii) LIBOR plus 7.50% per annum. Amendment No. 9 further amended the Credit Agreement to increase the maximum permitted Net Leverage Ratio for the September 30, 2023 reporting period.

On March 15, 2023, the Company entered into Amendment No. 10 to the Credit Agreement (“Amendment No. 10”). Amendment No. 10 amended the Credit Agreement to convert the existing London Interbank-Offered Rate (“LIBOR”)-based rate applicable to the term loan and revolving credit facilities under the Credit Agreement to a Term Secured Overnight Financing Rate (“SOFR”) Rate with a credit spread adjustment of 0.10%, 0.15% or 0.25% per annum for interest periods of one month, three months, or six months, respectively, and a floor of 1.00%, effective on the amendment date.

The Company collectively refers to the Initial Term Loan Facility, the Incremental Term Loan Facility, the 2021 Incremental Term Loans, and the 2021-2 Incremental Term Loans as the “Term Loan Facilities”.

As of December 31, 2022, the Company had a principal amount of \$113.7 million, \$305.4 million, and \$99.0 million outstanding under the Incremental Term Loan Facility, the 2021 Incremental Term Loans, and the 2021-2 Incremental Term Loans, respectively. The Incremental Term Loan Facility effective interest rate was 11.2% and 7.5% at December 31, 2022 and 2021, respectively. The 2021 Incremental Term Loans and the 2021-2 Incremental Term Loans effective interest rate was 11.2% and 6.0% at December 31, 2022 and 2021, respectively.

The Term Loan Facilities are payable in quarterly installments in the principal amount of 0.25% of the original principal amount. The remaining unpaid balance on the Term Loan Facilities, together with all accrued and unpaid interest thereon, is due and payable on or prior to September 13, 2025.

#### Revolving Credit Facilities

The Credit Agreement provided for a \$30.0 million aggregate principal amount senior secured revolving credit facility (the “Revolving Credit Facility”). During 2020, the Company entered into a series of amendments to the Credit Agreement to provide for \$28.0 million of incremental revolving credit (the “Incremental Revolving Credit Facilities”).

On May 7, 2021, the Company entered into a fourth amendment to the Credit Agreement, which provided \$142.0 million of incremental revolving credit (the “Incremental No. 4 Revolving Credit Facility”), for a total amount of \$200.0 million.

The Company collectively refers to the Revolving Credit Facility, the Incremental Revolving Credit Facilities, and the Incremental No. 4 Revolving Credit Facility as the “Revolving Credit Facilities”.

Amendment No. 5, as described above, also separates the Revolving Credit Facilities into two classes of revolving commitments consisting of Class A Revolving Commitments in the amount of \$30.0 million and Class B Revolving Commitments in the amount of \$170.0 million.

Borrowings under the Class A Revolving Commitments bear interest at either ABR plus 5.50% per annum or LIBOR plus 6.50% per annum. Borrowings under the Class B Revolving Commitments bear interest at either ABR plus 3.00% per annum or LIBOR plus 4.00% per annum. The Borrower is required to pay a commitment fee of 0.50% per annum under the Revolving Credit Facilities.

The Company had no amounts outstanding under the Class A Revolving Credit Facilities and Class B Revolving Credit Facilities as of December 31, 2022. The Company had \$23.2 million outstanding under the Class A Revolving Credit Facilities and \$131.8 million outstanding under the Class B Revolving Credit Facilities as of December 31, 2021. The Revolving Credit Facilities had a

remaining capacity of \$200.0 million in the aggregate as of December 31, 2022 and \$45.0 million as of December 31, 2021. The Class A Revolving Credit Facilities and Class B Revolving Credit Facilities effective interest rates at December 31, 2022 were 10.4% and 7.9%, respectively. At December 31, 2021 the Class A Revolving Credit Facilities and Class B Revolving Credit Facilities effective interest rates were 7.5% and 5.0%, respectively.

Outstanding borrowings under the Revolving Credit Facilities do not amortize and are due and payable on September 13, 2024.

### Covenants and Other Matters

The Credit Agreement contains a number of covenants that, among other things and subject to certain exceptions, restrict the Borrower's and its restricted subsidiaries' ability to incur indebtedness; incur certain liens; consolidate, merge or sell or otherwise dispose of assets; make investments, loans, advances, guarantees and acquisitions; pay dividends or make other distributions on equity interests, or redeem, repurchase or retire equity interests; enter into transactions with affiliates; alter the business conducted by the Company and subsidiaries; change their fiscal year; and amend or modify governing documents. In addition, the Credit Agreement contains financial and non-financial covenants. The Company is in compliance with all covenants as of December 31, 2022.

The Credit Agreement also contains certain customary representations and warranties and affirmative covenants, and certain reporting obligations. In addition, the lenders under the Credit Facilities will be permitted to accelerate all outstanding borrowings and other obligations, terminate outstanding commitments and exercise other specified remedies upon the occurrence of certain events of default (subject to certain grace periods and exceptions), which include, among other things, payment defaults, breaches of representations and warranties, covenant defaults, certain cross-defaults and cross-accelerations to other indebtedness, certain events of bankruptcy and insolvency, certain judgments and changes of control. Subject to certain limited exceptions, substantially all of the Company's assets are restricted from distribution.

### **Seasonality**

The Medicare annual enrollment period occurs from October 15<sup>th</sup> to December 7<sup>th</sup>. As a result, we experience an increase in the number of submitted Medicare-related applications during the fourth quarter and an increase in expense related to the Medicare segments during the third and fourth quarters. Additionally, as a result of the annual Medicare Advantage open enrollment period that occurs from January 1<sup>st</sup> to March 31<sup>st</sup>, commission revenue and Encompass revenue are typically second highest in our first quarter. The second and third quarters are known as special election periods and are our seasonally smallest quarters. A significant portion of our marketing and advertising expenses is driven by the number of health insurance applications submitted through us. Marketing and advertising expenses are generally higher in the fourth quarter during the Medicare annual enrollment period, but because commissions from approved customers are paid to us over time, our operating cash flows could be adversely impacted by a substantial increase in marketing and advertising expenses as a result of a higher volume of applications submitted during the fourth quarter or positively impacted by a substantial decline in marketing and advertising expenses as a result of lower volume of applications submitted during the fourth quarter.

### **Critical Accounting Policies and Estimates**

The preparation of Consolidated Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, and liabilities and disclosure of contingent assets and liabilities in our financial statements. We regularly assess these estimates; however, actual amounts could differ from those estimates. The impact of changes in estimates is recorded in the period in which they become known.

An accounting policy is considered to be critical if the nature of the estimates or assumptions is material due to the levels of subjectivity and judgment necessary to account for highly uncertain matters or the susceptibility of such matters to change, and the effect of the estimates and assumptions on financial condition or operating performance. The accounting policies we believe to reflect our more significant estimates, judgments and assumptions that are most critical to understanding and evaluating our reported financial results are:

- Revenue recognition and commissions receivable;
- Share-based compensation;
- Goodwill and intangible assets;
- Impairment of operating lease ROU assets;
- Income taxes; and
- Liabilities pursuant to tax receivable agreements ("TRAs").

### *Revenue Recognition and Commissions Receivable*

In accordance with ASC 606, *Revenue from Contracts with Customers*, revenue is recognized when a customer obtains control of promised goods or services and is recognized in an amount that reflects the consideration that an entity expects to receive in exchange for those goods or services.

Significant management judgments and estimates must be made in connection with determination of the revenue to be recognized in any accounting period. If we made different judgments or utilized different estimates for any period, material differences in the amount and timing of revenue recognized could result. The accounting estimates and judgments related to the recognition of revenue require us to make assumptions about numerous factors, such as the determination of performance obligations and determination of the transaction price. The estimate of renewal commissions is considered variable consideration in the transaction price and requires significant judgment including determining the number of periods in which a renewal will occur and the value of those renewal commissions to be received if renewed. We utilize the expected value approach to do this, incorporating a combination of historical lapse and premium increase data, available industry and health plan partner experience data, historical payment data by segment and health plan partner, as well as current forecast data to estimate forecasted renewal considerations, and then to constrain revenue recognized to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The uncertainty associated with the variable consideration is subsequently resolved when the policy terminates.

Commissions receivable includes the variable consideration for policies that may renew, and therefore, are subject to the same assumptions, judgments and estimates used when recognizing revenue as noted above.

### *Share-Based Compensation*

We recognize compensation expense for all share-based awards, including time-vesting and performance-vesting profit units (collectively, "Profit Units"), restricted stock units ("RSUs"), stock options, performance stock units ("PSUs"), and stock appreciation rights ("SARs") based on the estimated grant date fair value of awards. Share-based compensation expense for Time-Vesting Units, RSUs, stock options, and PSUs are recognized on a straight-line basis over the requisite service or performance period, which is generally three to five years.

Effective September 13, 2019 and in conjunction with the Centerbridge Acquisition, the Company authorized the grants of non-voting Profit Units. Profit Units consist of both Time-Vesting Units and Performance-Vesting Units and their fair value is determined using a Monte Carlo simulation. The fair value of our market-based PSUs is also determined using a Monte Carlo simulation. Embedded in the simulation are several assumptions, including the expected life of the award based on estimates of the timing of a liquidity event, the expected dividend yield, the risk-free interest rate and the expected volatility. The Time-Vesting Units' and market-based PSUs' expense is recognized on a straight-line basis over a three and five year vesting period, respectively. The Performance-Vesting Units' expense is recognized upon a liquidity event based on certain predetermined criteria. Upon completion of our IPO, the implied performance condition was satisfied, triggering an accelerated vesting and related compensation expense of \$209.3 million in the third quarter of 2020.

We granted RSUs, stock options, PSUs, and SARs to employees and non-employee directors. The fair value of RSUs and performance-based PSUs are determined based on the stock price on the date of grant. The fair value of stock options is calculated using a Black-Scholes-Merton pricing model. Embedded in the pricing model are several assumptions, including the expected life of the award, the expected dividend yield, the risk-free interest rate and the expected volatility. The assumptions we use represent management's best estimates. If factors change and different assumptions are used, our compensation expense for stock options could be materially different for future grants. Compensation expense is recognized on a straight-line basis over the requisite service period, which is generally three to four years for RSUs, stock options, and PSUs. We recognize forfeitures as they occur.

The total initial fair value of the SARs is recorded as expense at the time of the grant for SARs with no future service requirement. The fair value of SARs with a future service requirement are recognized on a straight-line basis over the requisite service period. The fair value of the SARs is revalued (mark-to-market) each reporting period using the Black-Scholes valuation model based on the Company's period-end stock price. SARs are liability-classified awards, and as such, are recorded as a liability on the Consolidated Balance Sheet.

### *Goodwill and Intangible Assets*

We test goodwill for impairment on an annual basis in the fourth quarter of each year, on November 30<sup>th</sup> or whenever events or changes in circumstances indicate that the goodwill may be impaired.

Judgment in the assessment of qualitative factors of impairment include macroeconomic, industry and market conditions, cost considerations, our financial performance, events specific to our company, industry or reporting unit and other relevant events. To the extent we determine that it is more likely than not that the fair value of a reporting unit is less than its carrying value, a quantitative test is then performed.

Performing a quantitative impairment test for goodwill includes the determination of the fair value of a reporting unit and involves significant estimates and assumptions. These level 3 fair value estimates and assumptions include, among others, cash flow projections and selecting an appropriate discount rate.

To estimate the fair value of the Medicare— Internal reporting unit, the Company relied on a combination of the income approach, utilizing the discounted cash flow method, and the market approach, utilizing the guideline company method, with a 75% weighting on the income approach and a 25% weighting on the market approach. To estimate the fair value of the Medicare— External reporting unit, the Company relied on the income approach, utilizing the discounted cash flow method. The Company considered but did not rely on the market approach for the Medicare— External reporting unit due to the lack of comparable companies.

In the income approach used to calculate the fair value of the reporting units, the Company utilized a discounted cash flow analysis, which involves estimating the expected after-tax cash flows that will be generated by the reporting unit and then discounting those cash flows to present value reflecting the relevant risks associated with the reporting unit and the time value of money. This approach requires the use of significant estimates and assumptions, including long-term projections of future cash flows, estimated revenues, operating margin, and discount rates reflecting the risk inherent in future cash flows for each reporting unit. In estimating future cash flows, the Company relied on internally generated forecasts for each reporting unit and assumed a long-term growth rate of 3%. The discounted cash flow analysis assumed a discount rate of 12.5% for the Medicare— Internal reporting unit and 17.0% for the Medicare— External reporting unit.

The guideline company method under the market approach, which was utilized for the Medicare— Internal reporting unit, involves calculating valuation multiples based on revenues and operating margins from guideline publicly traded companies. Multiples derived from guideline companies provide an indication of how much a knowledgeable investor in the marketplace would be willing to pay for a company. These multiples are evaluated and adjusted based on specific characteristics of the reporting unit relative to the selected guideline companies and applied to the reporting unit's operating data to arrive at an indication of value.

Determining the fair value of a reporting unit requires the Company to make significant judgments, estimates and assumptions. While the Company believes that the estimates and assumptions underlying the valuation methodologies are reasonable, these estimates and assumptions could have a significant impact on whether or not a goodwill impairment charge is recognized and also the magnitude of any such charge.

As a result of the annual goodwill impairment test conducted as of November 30, 2021, during the fourth quarter of 2021 the Company recognized goodwill impairment charges of \$386.6 million, within "Goodwill impairment charges" in the Consolidated Statement of Operations. See Note 4 "Goodwill and Intangibles Assets" for further discussion over the goodwill impairment charges. There was no impairment of goodwill for the twelve months ended December 31, 2020.

Indefinite-lived intangible assets are tested for impairment on November 30<sup>th</sup> of each year or whenever events or changes in circumstances indicate that an impairment may exist. If the carrying amount of an indefinite-lived intangible asset exceeds its fair value, an impairment loss is recognized in an amount equal to that excess. Determination of fair value involves significant estimates and assumptions including, among others, cash flow projections and selecting appropriate royalty and discount rates.

Intangible assets subject to amortization are also evaluated for impairment when indicators of impairment are determined to exist. Recoverability of these assets is measured by a comparison of the carrying amounts to the future undiscounted cash flows the assets are expected to generate from their use and eventual disposition. If such review indicates that the carrying amount of intangible assets is not recoverable, the carrying amount of such assets is reduced to fair value.

During the periods presented in this Annual Report on Form 10-K, no impairment has been recognized for either indefinite-lived or definite-lived intangible assets.

#### *Impairment of Operating Lease ROU Assets*

The Company reviews operating lease ROU assets, in conjunction with other long-lived assets, for impairment when facts or circumstances indicate the carrying amount of an asset or asset group may not be recoverable. If impairment indicators are present and the estimated future undiscounted cash flows are less than the carrying value of the assets, the carrying values are reduced to the estimated fair value. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of the cash flows of other groups of assets and liabilities, unless facts and circumstances indicate otherwise. During the year ended December 31, 2022 and 2021, the Company was actively looking to terminate or sublease certain office spaces and call centers that were deemed no longer economically beneficial to the Company. As a result, these properties are considered individual asset groups for the purpose of testing for impairment.

The fair values were estimated using a discounted cash flows approach on forecasted future cash flows expected to be derived from the property based on current sublease market rent, which is considered a level 3 input in the fair value hierarchy. There are

additional estimates and assumptions used to arrive at estimated future cash flows, including discount rate, downtime, abatement, and commissions.

As a result of the impairment testing over certain operating lease ROU assets, the Company recorded operating lease impairment charges of \$25.3 million during the second and third quarters of 2022 and \$1.1 million during the third quarter of 2021. With respect to the impairment charge for the twelve months ended December 31, 2022, a 5% increase or decrease to the market rent per square foot input would increase or decrease the estimated fair value and resulting impairment charge by approximately \$1.0 million. See Note 3, "Fair Value Measurements," for further discussion around fair value determinations. There was no operating lease impairment charge for the twelve months ended December 31, 2020.

#### *Income Taxes*

We account for income taxes using an asset and liability approach. Deferred income tax assets and liabilities result from temporary differences between the tax basis of assets and liabilities and their reported amounts in the Consolidated Financial Statements that will result in taxable or deductible amounts in future years. Valuation allowances are provided when necessary to reduce deferred tax assets to the amount expected to be realized.

The determination of our provision for income taxes requires management's judgment in the use of estimates and the interpretation and application of complex tax laws. Judgment is also required in assessing the timing and amounts of deductible and taxable items. We establish liabilities for material, known tax exposures relating to deductions, transactions and other matters involving some uncertainty as to the proper tax treatment of the item. Our liabilities reflect our judgment as to the resolution of the issues involved if subject to judicial review. When facts and circumstances change (including a resolution of an issue or statute of limitations expiration), these liabilities are adjusted through the provision for income taxes in the period of change.

#### *Liabilities Pursuant to TRAs*

In connection with the IPO, the Company entered into the Tax Receivable Agreement with GHH, LLC, the Continuing Equity Owners and the Blocker Shareholders that will provide for the payment by the Company to the Continuing Equity Owners and the Blocker Shareholders of 85% of the amount of tax benefits, if any, that the Company actually realizes (or in some circumstances is deemed to realize) as a result of (1) the Company's allocable share of existing tax basis acquired in connection with the Transactions (including the Blocker Company's share of existing tax basis) and increases to such allocable share of existing tax basis; (2) increases in tax basis resulting from (a) the Company's purchase of LLC Interests directly from GHH, LLC and the partial redemption of LLC Interests by GHH, LLC, (b) future redemptions or exchanges (or deemed exchanges in certain circumstances) of LLC Interests for Class A common stock or cash, and (c) certain distributions (or deemed distributions) by GHH, LLC; and (3) certain additional tax benefits arising from payments made under the Tax Receivable Agreement. The Company may benefit from the remaining 15% of any tax benefits that the Company actually realizes.

The amounts payable under the Tax Receivable Agreement will vary depending upon a number of factors, including the amount, character, and timing of the taxable income of the Company in the future. In projecting future taxable income, the Company considers its historical results and incorporates certain assumptions, including revenue growth and operating margins, among others. The projection of future taxable income involves judgement and actual taxable income may differ from our estimates, which could impact the timing of payments under the Tax Receivable Agreement. If the Company determines that it will not be able to fully utilize all or part of the related tax benefits, the Company would reduce the portion of the Tax Receivable Agreement liability related to the tax benefits not expected to be utilized through earnings at that time.

As of December 31, 2022, the Company has determined that a \$0.6 million liability related to the Tax Receivable Agreement arose from the Transactions. Should the Company determine that any additional Tax Receivable Agreement liability is considered probable at a future date based on new information, any changes will be recorded within earnings at that time.

#### **ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

As a smaller reporting company, we are not required to include disclosure under this item.



## ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

### Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of GoHealth, Inc.

#### **Opinion on the Financial Statements**

We have audited the accompanying consolidated balance sheets of GoHealth, Inc. (the Company) as of December 31, 2022 and 2021, the related consolidated statements of operations, comprehensive income (loss), changes in stockholders' / members' equity and cash flows for each of the three years in the period ended December 31, 2022, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2022, in conformity with U.S. generally accepted accounting principles.

#### **Basis for Opinion**

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

#### **Critical Audit Matters**

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

#### **Revenue recognition: Estimated constrained lifetime value of commission revenue**

*Description of the Matter*

The Company recognized commission revenue of approximately \$341.5 million in 2022 and the related commissions receivable was approximately \$1,031.4 million at December 31, 2022. As described in Notes 1 and 10 to its consolidated financial statements, the Company's commission revenue is recognized as the expected amount of initial commissions received from the health plan partners and any renewal commissions to be paid on such placement as long as the policyholder remains with the same insurance product, also known as the constrained lifetime value ("LTV") of the policy.

Auditing management's determination of the LTV of commission revenue was complex and highly judgmental due to the complexity of the models used and the subjectivity required by the Company to: i. estimate the amount and timing of future cash flows, ii. calculate the amount of commission revenue that is probable of not being reversed (the constraint), and iii. determine the timing and amount of any adjustment revenue that results from changes in the estimates of previously recorded LTV based on an assessment of qualitative and quantitative factors, including actual cash received versus estimated cash collections of previously recorded LTV. The Company's estimate of constrained LTV of commission revenue for each vintage is based on a number of assumptions, including estimating conversion of an approved applicant to a paying policyholder, forecasting persistency of a policyholder and forecasting the commission amounts probable to be received. These assumptions are based on historical experience, health plan partner experience, industry data and incorporate management's judgment in interpreting those trends and in applying constraints.

*How We Addressed the Matter in Our Audit*

Our audit procedures included, among others, evaluating the methodology used and significant assumptions discussed above, and testing the completeness and accuracy of the underlying data used by the Company. We involved our valuation specialists to assist in our testing of the estimated persistency of policyholders, which includes policyholder attrition assumptions, used to develop the LTV, including performing certain corroborative calculations. We inspected and compared the results of the Company's retrospective review analysis of historical estimates for certain vintages to historical cash collection experience, including reperforming the calculations and assessing the completeness and accuracy of the underlying data used. In addition, we performed inquiries of key personnel regarding their evaluation of changes to LTV and any decisions on the timing and amount of adjustment revenue recognized. We also reviewed analyst reports, press releases, and other relevant third-party and/or industry trends data for contrary evidence.

**Operating lease right-of-use asset impairment assessment**

*Description of the Matter*

The Company recognized operating lease right-of-use asset impairment charges of \$25.3 million in 2022, and the Company's operating lease right-of-use asset was \$21.5 million at December 31, 2022. As described in Notes 1, 3 and 11 to its consolidated financial statements, the Company performs an assessment of its operating lease right-of-use assets whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. The recoverability of assets is measured by comparing the carrying amount to the estimated future undiscounted cash flows. If it is determined that an asset is not recoverable, an impairment charge is recognized for the amount by which the carrying amount of the asset exceeds its fair value. During 2022, the Company has been actively looking to terminate or sublease certain office space and call centers as part of the Company's continued cost saving initiatives. These actions resulted in management recording \$25.3 million operating lease right-of-use asset impairment charges.

Auditing management's impairment assessment of certain operating lease right-of-use assets was complex and highly judgmental due to the significant estimation required to determine the fair value of the operating lease right-of-use assets. In particular, the fair value estimate was sensitive to significant assumptions, such as the future sublease market rental rates, future sublease market conditions and the discount rate.

*How We Addressed the Matter in Our Audit*

Our audit procedures included, among others, evaluating the methodology used and significant assumptions discussed above, and testing the completeness and accuracy of the underlying data used by the Company. With the assistance of our valuation specialist, we reviewed management's methodology and tested management's specialist's fair value analysis by researching the market for data to compare to assumptions used in the discounted cash flow model and assessing whether the assumptions were supported by observable market data.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2013.

Chicago, Illinois  
March 23, 2023

**CONSOLIDATED FINANCIAL STATEMENTS**

**GOHEALTH, INC.**

**CONSOLIDATED STATEMENTS OF OPERATIONS**

*(in thousands, except per share amounts)*

	Twelve months ended Dec. 31,		
	2022	2021	2020
<b>Net revenues:</b>			
Commission	\$ 341,467	\$ 881,263	\$ 671,140
Enterprise	290,208	181,152	206,210
Net revenues	631,675	1,062,415	877,350
<b>Operating expenses:</b>			
Cost of revenue	187,670	239,335	199,202
Marketing and advertising expense	207,559	365,141	206,864
Customer care and enrollment	260,902	319,103	165,497
Technology expense	46,094	48,429	59,348
General and administrative	116,530	98,183	197,229
Amortization of intangible assets	94,057	94,056	94,056
Operating lease impairment charges	25,345	1,062	—
Restructuring and other related charges	12,184	—	—
Goodwill impairment charges	—	386,553	—
Change in fair value of contingent consideration liability	—	—	19,700
Total operating expenses	950,341	1,551,862	941,896
Income (loss) from operations	(318,666)	(489,447)	(64,546)
Interest expense	57,069	33,505	32,969
Loss on extinguishment of debt	—	11,935	—
Other (income) expense, net	(115)	(669)	(358)
Income (loss) before income taxes	(375,620)	(534,218)	(97,157)
Income tax expense (benefit)	764	(24)	43
Net income (loss)	(376,384)	(534,194)	(97,200)
Net income (loss) attributable to noncontrolling interests	(227,678)	(344,837)	(52,933)
<b>Net income (loss) attributable to GoHealth, Inc.</b>	<b>\$ (148,706)</b>	<b>\$ (189,357)</b>	<b>\$ (44,267)</b>
<i>Net loss per share (Note 8):</i>			
Net income (loss) per share of Class A common stock — basic and diluted (1)	\$ (17.72)	\$ (26.80)	\$ (3.35)
Weighted-average shares of Class A common stock outstanding — basic and diluted	8,445	7,066	5,612

(1) Net loss per share of Class A common stock—basic and diluted for the twelve months ended December 31, 2020, is based on the post-IPO net loss from July 17, 2020 to December 31, 2020.

*The accompanying Notes are an integral part of these Consolidated Financial Statements.*

**GOHEALTH, INC.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
*(in thousands)*

	Twelve months ended Dec. 31,		
	2022	2021	2020
Net income (loss)	\$ (376,384)	\$ (534,194)	\$ (97,200)
<i>Other comprehensive income (loss):</i>			
Foreign currency translation adjustments	(238)	(155)	66
Comprehensive income (loss)	(376,622)	(534,349)	(97,134)
Comprehensive income (loss) attributable to noncontrolling interests	(227,831)	(344,916)	(52,884)
<b>Comprehensive income (loss) attributable to GoHealth, Inc.</b>	<b>\$ (148,791)</b>	<b>\$ (189,433)</b>	<b>\$ (44,250)</b>

*The accompanying Notes are an integral part of these Consolidated Financial Statements.*

**GOHEALTH, INC.**  
**CONSOLIDATED BALANCE SHEETS**  
*(in thousands, except per share amounts)*

	Dec. 31,	
	2022	2021
<b>Assets</b>		
<i>Current assets:</i>		
Cash and cash equivalents	\$ 16,464	\$ 84,361
Accounts receivable, net of allowance for doubtful accounts of \$89 in 2022 and \$558 in 2021	4,703	17,276
Commissions receivable - current	335,796	268,663
Prepaid expense and other current assets	57,593	58,695
<b>Total current assets</b>	<b>414,556</b>	<b>428,995</b>
Commissions receivable - non-current	695,637	993,844
Operating lease ROU asset	21,483	23,462
Other long-term assets	1,721	3,608
Property, equipment, and capitalized software, net	25,282	24,273
Intangible assets, net	500,611	594,669
<b>Total assets</b>	<b>\$ 1,659,290</b>	<b>\$ 2,068,851</b>
<b>Liabilities, Redeemable Convertible Preferred Stock and Stockholders' Equity</b>		
<i>Current liabilities:</i>		
Accounts payable	\$ 15,148	\$ 39,843
Accrued liabilities	53,334	52,788
Commissions payable - current	122,023	104,160
Short-term operating lease liability	8,974	6,126
Deferred revenue	50,594	536
Current portion of long-term debt	5,270	5,270
Other current liabilities	10,112	8,344
<b>Total current liabilities</b>	<b>265,455</b>	<b>217,067</b>
<i>Non-current liabilities:</i>		
Commissions payable - non-current	253,118	274,403
Long-term operating lease liability	38,367	19,776
Long-term debt, net of current portion	504,810	665,115
Other non-current liabilities	5,839	—
<b>Total non-current liabilities</b>	<b>802,134</b>	<b>959,294</b>
Commitments and Contingencies (Note 12)		
Series A redeemable convertible preferred stock — \$0.0001 par value; 50 shares authorized; 50 shares issued and outstanding at December 31, 2022. No shares issued and outstanding as of December 31, 2021. Liquidation preference of \$50.9 million at December 31, 2022.	49,302	—
<b>Stockholders' equity:</b>		
Class A common stock — \$0.0001 par value; 1,100,000 shares authorized; 8,963 and 7,699 shares issued; 8,950 and 7,699 shares outstanding at December 31, 2022 and December 31, 2021, respectively.	1	1
Class B common stock — \$0.0001 par value; 616,259 and 587,360 shares authorized; 13,054 and 13,690 shares issued and outstanding at December 31, 2022 and December 31, 2021, respectively.	1	1
Preferred stock — \$0.0001 par value; 20,000 shares authorized (including 50 shares of Series A redeemable convertible preferred stock authorized and 200 shares of Series A-1 convertible preferred stock authorized); 50 shares issued and outstanding at December 31, 2022; no shares issued and outstanding at December 31, 2021.	—	—
Series A-1 convertible preferred stock — \$0.0001 par value; 200 shares authorized; no shares issued and outstanding at December 31, 2022 and December 31, 2021.	—	—
Treasury stock — at cost; 13 shares of Class A common stock at December 31, 2022	(345)	—
Additional paid-in capital	626,269	561,477
Accumulated other comprehensive income (loss)	(144)	(59)
Accumulated deficit	(357,023)	(208,317)
<b>Total stockholders' equity attributable to GoHealth, Inc.</b>	<b>268,759</b>	<b>353,103</b>
Non-controlling interests	273,640	539,387
<b>Total stockholders' equity</b>	<b>542,399</b>	<b>892,490</b>
<b>Total liabilities, redeemable convertible preferred stock and stockholders' equity</b>	<b>\$ 1,659,290</b>	<b>\$ 2,068,851</b>

*The accompanying Notes are an integral part of these Consolidated Financial Statements.*

**GOHEALTH, INC.**  
**CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' / MEMBERS' EQUITY**  
*(in thousands)*

	Twelve months ended Dec. 31, 2022										
	Class A Common Stock		Class B Common Stock		Treasury Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Non-Controlling Interests	Stockholders' Equity
	Shares	Amount	Shares	Amount	Shares	Amount					
<b>Balance at Jan. 1, 2022</b>	<b>7,699</b>	<b>\$ 1</b>	<b>13,690</b>	<b>\$ 1</b>	<b>—</b>	<b>\$ —</b>	<b>\$ 561,477</b>	<b>\$ (208,317)</b>	<b>\$ (59)</b>	<b>\$ 539,387</b>	<b>\$ 892,490</b>
Net loss								(148,706)		(227,678)	(376,384)
Issuance of Class A common shares related to share-based compensation plans	675	—					677				677
Share-based compensation expense							27,142				27,142
Foreign currency translation adjustment									(85)	(153)	(238)
Repurchase of shares to satisfy employee tax withholding obligations					(13)	(345)					(345)
Dividends accrued on Series A redeemable convertible preferred stock							(943)				(943)
Forfeitures of Time-Vesting Units			(47)	—							—
Redemption of LLC Interests and other	589	—	(589)	—			37,916			(37,916)	—
<b>Balance at Dec. 31, 2022</b>	<b>8,963</b>	<b>\$ 1</b>	<b>13,054</b>	<b>\$ 1</b>	<b>(13)</b>	<b>\$ (345)</b>	<b>\$ 626,269</b>	<b>\$ (357,023)</b>	<b>\$ (144)</b>	<b>\$ 273,640</b>	<b>\$ 542,399</b>

	Twelve months ended Dec. 31, 2021									
	Class A Common Stock		Class B Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Non-Controlling Interests	Stockholders' Equity	
	Shares	Amount	Shares	Amount						
<b>Balance at Jan. 1, 2021</b>	<b>5,613</b>	<b>\$ 1</b>	<b>15,800</b>	<b>\$ 1</b>	<b>\$ 399,199</b>	<b>\$ (18,802)</b>	<b>\$ 17</b>	<b>\$ 1,018,739</b>	<b>\$ 1,399,155</b>	
Cumulative impact of Topic 842						(17)		(46)	(63)	
Cumulative impact of Topic 326						(141)		(398)	(539)	
Net loss						(189,357)		(344,837)	(534,194)	
Issuance of Class A common shares related to share-based compensation plans	17	—			989				989	
Share-based compensation expense					27,297				27,297	
Foreign currency translation adjustment							(76)	(79)	(155)	
Forfeitures of Time-Vesting Units			(41)	—					—	
Redemption of LLC Interests and other	2,069	—	(2,069)	—	133,992			(133,992)	—	
<b>Balance at Dec. 31, 2021</b>	<b>7,699</b>	<b>\$ 1</b>	<b>13,690</b>	<b>\$ 1</b>	<b>\$ 561,477</b>	<b>\$ (208,317)</b>	<b>\$ (59)</b>	<b>\$ 539,387</b>	<b>\$ 892,490</b>	

Twelve months ended Dec. 31, 2020

	Class A Common Stock		Class B Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Non-Controlling Interests	Stockholders' / Members' Equity	
	Members' Equity	Shares	Amount	Shares						Amount
<b>Balance at Jan. 1, 2020</b>	<b>\$ 860,144</b>	<b>—</b>	<b>\$ —</b>	<b>—</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	
Issuance of Senior Preferred Earnout units	100,000									
Issuance of Common Earnout Units	100,000									
Issuance of common units	10,000									
Net loss prior to the Transactions	(25,465)									
Share-based compensation expense prior to the Transactions	1,182									
Foreign currency translation adjustment prior to the Transactions	(59)									
Effect of the Transactions	(1,045,802)			20,532	2	(524,947)		1,570,748	1,045,803	
Issuance of common stock sold in IPO, net of offering costs		2,900	1			852,406			852,407	
Effect of the Blocker Merger		2,712	—	(3,034)	(1)			(96,165)	(96,166)	
Effect of purchase of LLC Interests				(1,699)	—			(508,320)	(508,320)	
Settlement of Senior Preferred Earnout Units								(100,000)	(100,000)	
Assumption of contingent consideration liability by significant shareholder						62,400			62,400	
Share-based compensation expense upon vesting of performance-based profit units								209,300	209,300	
Issuance of Class A common shares upon vesting of restricted stock units		1	—							
Net loss subsequent to the Transactions							(18,802)	(52,933)	(71,735)	
Share-based compensation expense subsequent to the Transactions						9,290		(3,540)	5,750	
Partner distributions and other						49		(400)	(351)	
Foreign currency translation adjustment subsequent to the Transactions								17	48	
<b>Balance at Dec. 31, 2020</b>	<b>\$ —</b>	<b>5,613</b>	<b>\$ 1</b>	<b>15,800</b>	<b>\$ 1</b>	<b>\$ 399,199</b>	<b>\$ (18,802)</b>	<b>\$ 17</b>	<b>\$ 1,018,739</b>	<b>\$ 1,399,155</b>

The accompanying Notes are an integral part of these Consolidated Financial Statements.



**GOHEALTH, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
*(in thousands)*

	<b>Twelve months ended Dec. 31,</b>		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Operating Activities</b>			
Net income (loss)	\$ (376,384)	\$ (534,194)	\$ (97,200)
<i>Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:</i>			
Share-based compensation	27,142	27,297	216,229
Depreciation and amortization	12,945	13,451	4,496
Amortization of intangible assets	94,057	94,056	94,056
Amortization of debt discount and issuance costs	2,896	2,222	2,430
Loss on extinguishment of debt	—	11,935	—
Operating lease impairment charges	25,345	1,062	—
Change in fair value of contingent consideration	—	—	19,700
Goodwill impairment charges	—	386,553	—
Non-cash restructuring charges	976	—	—
Non-cash lease expense	4,017	5,033	—
Other non-cash items, net	(250)	(5)	(1,691)
<i>Changes in assets and liabilities, net of acquisition:</i>			
Accounts receivable	12,574	(2,758)	4,526
Commissions receivable	231,274	(452,950)	(427,467)
Prepaid expenses and other assets	2,140	(18,613)	(30,194)
Accounts payable	(24,795)	30,477	(5,340)
Accrued liabilities	546	25,745	4,358
Deferred revenue	50,058	(200)	(14,482)
Commissions payable	(3,423)	117,489	107,583
Operating lease liabilities	(6,597)	(4,885)	—
Other liabilities	8,383	(721)	8,779
Net cash provided by (used in) operating activities	<u>60,904</u>	<u>(299,006)</u>	<u>(114,217)</u>
<b>Investing Activities</b>			
Purchases of property, equipment and software	(13,512)	(19,801)	(14,523)
Net cash (used in) provided by investing activities	<u>(13,512)</u>	<u>(19,801)</u>	<u>(14,523)</u>
<b>Financing Activities</b>			
Repayment of borrowings	(160,270)	(298,970)	(3,878)
Proceeds from stock option exercises	5	—	—
Proceeds from sale of Series A redeemable convertible preferred stock	50,000	—	—
Issuance cost payments from issuance of Series A redeemable convertible preferred stock	(1,641)	—	—
Debt issuance cost payments	(2,697)	(4,108)	(6,293)
Repurchase of shares to satisfy employee tax withholding obligations	(345)	—	—
Principal payments under capital lease obligations	(103)	(318)	(293)
Proceeds from issuance of Class A common stock sold in initial public offering, net of offering costs	—	—	852,407
Payment of partial consideration to Blocker Shareholders in the Blocker Merger	—	—	(96,165)
Purchase of LLC Interests from Continuing Equity Owners	—	—	(508,320)
Settlement of Senior Preferred Earnout Units	—	—	(100,000)
Proceeds received upon issuance of common units	—	—	10,000
Proceeds from borrowings	—	565,000	117,000
Call premium paid for debt extinguishment	—	(5,910)	—
Distributions to non-controlling interests	—	—	(400)
Advancement to NVX Holdings, Inc.	—	3,395	(3,395)
Net cash (used in) provided by financing activities	<u>(115,051)</u>	<u>259,089</u>	<u>260,663</u>
Effect of exchange rate changes on cash and cash equivalents	(238)	(155)	35
Increase (decrease) in cash and cash equivalents	<u>(67,897)</u>	<u>(59,873)</u>	<u>131,958</u>
Cash and cash equivalents at beginning of period	<u>84,361</u>	<u>144,234</u>	<u>12,276</u>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 16,464</b>	<b>\$ 84,361</b>	<b>\$ 144,234</b>
<b>Supplemental Disclosure of Cash Flow Information</b>			
Interest paid	\$ 56,920	\$ 28,244	\$ 32,671
Income taxes paid	\$ 486	\$ 879	\$ 286
<i>Non-cash investing and financing activities:</i>			
Issuance of Senior Preferred Earnout Units to settle contingent consideration liability	\$ —	\$ —	\$ 100,000
Issuance of common A and B units to settle contingent consideration liability	\$ —	\$ —	\$ 100,000
Net issuance of Class A and Class B common stock in connection with the Transactions	\$ —	\$ —	\$ 30
Settlement of contingent consideration liability	\$ —	\$ —	\$ 62,400

*The accompanying Notes are an integral part of these Consolidated Financial Statements.*

**GOHEALTH, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**1. DESCRIPTION OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES**

**Description of Business**

GoHealth, Inc. (the "Company") is a leading health insurance marketplace and Medicare-focused digital health company whose mission is to improve healthcare in America. The Company works with insurance health plan partners to provide solutions to efficiently enroll individuals in health insurance plans. The Company's proprietary technology platform leverages modern machine-learning algorithms powered by two decades of insurance purchasing behavior to reimagine the optimal process for helping individuals find the best health insurance plan for their specific needs. The Company's differentiated combination of a vertically integrated consumer acquisition platform and highly skilled and trained agents has enabled the Company to enroll millions of people in Medicare and individual and family plans since inception. Certain of the Company's operations do business as GoHealth, LLC ("GoHealth"), a controlled subsidiary of the Company that was founded in 2008.

The Company was incorporated in Delaware on March 27, 2020 for the purpose of facilitating an initial public offering and other related transactions in order to carry on the business of GoHealth Holdings, LLC, a Delaware limited liability company, and its controlled subsidiaries (collectively, "GHH, LLC"). On July 17, 2020, the Company completed an initial public offering of 2,900,000 shares of its Class A common stock at a public offering price of \$315.00 per share ("the IPO"), receiving approximately \$852.4 million in net proceeds, after deducting the underwriting discount and offering expenses.

Pursuant to a reorganization into a holding company structure, the Company is a holding company and its principal asset is a controlling equity interest in GHH, LLC. As the sole managing member of GHH, LLC, the Company operates and controls all of the business and affairs of GHH, LLC, and through GHH, LLC and its subsidiaries, conducts its business.

**Basis of Presentation and Significant Accounting Policies**

In connection with the Company's IPO, the Company completed a series of organizational transactions (the "Transactions"). The Transactions included:

- The amendment and restatement of the existing limited liability company agreement of GHH, LLC to, among other things, (1) recapitalize all existing ownership interests in GHH, LLC (including profits units awarded under the existing limited liability company agreement of GHH, LLC) and (2) appoint the Company as the sole managing member of GHH, LLC upon its acquisition of LLC Interests in connection with the IPO;
- the amendment and restatement of the Company's certificate of incorporation to, among other things, provide for (1) Class A common stock, with each share of the Company's Class A common stock entitling its holder to economic rights and one vote per share on all matters presented to stockholders generally and (2) Class B common stock, with each share of the Company's Class B common stock being a non-economic share but entitling its holder to one vote per share on all matters presented to stockholders generally (provided that shares of Class B common stock may only be held by the Continuing Equity Owners and their respective permitted transferees);
- the issuance of 20,532,004 shares of the Company's Class B common stock, including the issuance of 15,293,288 such shares to the Continuing Equity Owners, which is equal to the number of LLC Interests held directly or indirectly by such Continuing Equity Owners immediately following the Transactions, for nominal consideration;
- the issuance of 2,900,000 shares of the Company's Class A common stock to the purchasers in the IPO in exchange for net proceeds, after taking into account the underwriting discount and offering expenses payable by the Company, of approximately \$852.4 million;
- the acquisition by the Company of the Blocker Company in a merger transaction (the "Blocker Merger"), which Blocker Company held 3,033,551 LLC interests and a corresponding amount of the Company's Class B common stock (which shares were cancelled after the Blocker Merger), in exchange for 2,712,197 shares of the Company's Class A common stock and payment of \$96.2 million in cash to Blocker Shareholders;
- the use of the remaining net proceeds from the IPO to (i) pay \$508.3 million in cash to redeem 1,698,645 LLC Interests held directly or indirectly by the Continuing Equity Owners, (ii) satisfy in full \$100.0 million in aggregate face amount of senior preferred earnout units in connection with the Transactions and (iii) use for general corporate purposes; and
- the Company entered into (1) a stockholders' agreement with Centerbridge and NVX Holdings, Inc., (2) a registration rights agreement with certain of the Continuing Equity Owners and (3) a tax receivable agreement with GHH, LLC, the Continuing Equity Owners and the Blocker Shareholders.

In connection with the IPO, the Company became the sole managing member of GHH, LLC and controls the management of GHH, LLC. As a result, the Company consolidates GHH, LLC's financial results in its Consolidated Financial Statements and reports non-controlling interests for the economic interest in GHH, LLC held by the Continuing Equity Owners. Substantially concurrently with the consummation of the IPO, the existing limited liability company agreement of GHH, LLC was amended and restated to, among other things, recapitalize its capital structure by creating a single new class of units (the "common units") and provide for a right of redemption of common units (subject in certain circumstances to time-based vesting requirements and certain other restrictions) in exchange for, at the Company's election, cash or newly-issued shares of Class A common stock on a one-for-one basis. In connection with any redemption, the Company will receive a corresponding number of common units, increasing the Company's total ownership interest in GHH, LLC.

Immediately following the completion of the Transactions and the IPO, the Company owned 26.8% of the economic interests in GHH, LLC, while the Continuing Equity Owners owned the remaining 73.2% of the economic interests in GHH, LLC. Net income and loss is allocated to the Continuing Equity Owners on a pro rata basis, assuming that any Class B common units that are subject to time-based vesting requirements are fully vested. The net loss attributable to non-controlling interests for the twelve months ended December 31, 2022, 2021 and 2020 represents the Continuing Equity Owners' pro rata share of net loss of the Company for the period subsequent to the IPO.

GHH, LLC is a holding company with no operating assets or operations and was formed to acquire a 100% equity interest in Norvax, LLC ("Norvax"). GHH, LLC owns 100% of Blizzard Midco, LLC, which owns 100% of Norvax. For all of the periods reported in these Consolidated Financial Statements, GHH, LLC has not and does not have any material operations on a standalone basis and all of the operations of GHH, LLC are carried out by Norvax. On August 15, 2019, GHH, LLC entered a series of arrangements to acquire 100% of the equity interest in Norvax. On September 13, 2019, Blizzard Merger Sub LLC, a transitory merger company of Blizzard Midco, LLC, merged into Norvax, with Norvax continuing as the surviving limited liability company and GHH, LLC's operating entity (the "Acquisition"). The Acquisition's purchase price allocation was final as of September 30, 2020 with no adjustments made in the measurement period.

The accompanying Consolidated Financial Statements include the accounts of the Company and its controlled subsidiaries. The Consolidated Financial Statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). All intercompany balances and transactions are eliminated in consolidation. Certain prior period amounts have been reclassified to conform with the current period presentation. These reclassifications had no impact on the Company's financial position, results of operations, or cash flows. All share and per share amounts have been retroactively adjusted to reflect the one-for-fifteen reverse stock split. See Note 6. "Stockholders' Equity" for more information.

#### **Use of Estimates**

The preparation of the Consolidated Financial Statements in conformity with U.S. GAAP requires management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the Consolidated Financial Statements and the reported amounts of revenues and expenses during the reporting periods. The Company bases its estimates on historical experience and various other assumptions that management believes are reasonable under the circumstances, the results of which form the basis for making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from those estimates.

#### **Cash and Cash Equivalents**

The Company considers all investments with an original maturity of 90 days or less from the date of purchase to be cash equivalents. Cash includes all deposits in banks. The Company maintains its cash balances at financial institutions in the United States and Europe.

#### **Concentration of Credit Risk**

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash, accounts receivable, unbilled receivables and commissions receivable. The maximum exposure risk of these accounts is equal to the amounts stated on the Company's Consolidated Balance Sheets. The Company places its cash with high-credit-quality financial institutions and, at times, such deposits may be in excess of federally insured limits. To date, the Company has not experienced any losses on its cash balances and periodic evaluations of the relative credit standing of the financial institutions are performed.

Accounts receivable, unbilled receivables and commissions receivable are primarily derived from customers located in North America. The Company performs ongoing credit evaluations of customers' financial condition and requires no collateral from customers. The Company maintains an allowance for doubtful accounts and credit losses based upon the expected collectability of accounts receivable, unbilled receivables and commissions receivable.

As of December 31, 2022, three customers each represented 10% or more of the Company's total accounts receivable and unbilled receivables and, in aggregate, represented 85%, or \$37.6 million, of the combined total. As of December 31, 2021, three

customers each represented 10% or more of the Company's total accounts receivable and unbilled receivables and, in aggregate, represented 87%, or \$28.7 million, of the combined total.

### Foreign Currency

The Company is exposed to currency fluctuations from certain vendors that transact business in Euros. Assets and liabilities of the Company's foreign affiliate in Slovakia, which uses the local currency as its functional currency, are translated at period-end exchange rates, and income and expense items are translated at a rate that approximates the average exchange rate for the period. Translation adjustments are included as a component of accumulated other comprehensive income (loss). Gains and losses from foreign currency transactions are included in other (income) expense, net and are immaterial for all periods presented.

### Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are recorded at the invoiced amount and typically do not bear interest. The Company provides allowances for doubtful accounts related to accounts receivable for estimated losses resulting from the inability of its customers to make required payments. The Company takes into consideration the overall quality of the receivables portfolio, along with specifically identified customer risks in establishing allowances. Accounts receivable are charged off against the allowance for doubtful accounts when it is determined the receivable is uncollectible.

### Commissions Receivable

Commissions receivable are contract assets that represent estimated variable consideration for commissions to be received from insurance health plan partners for performance obligations that have been satisfied. The current portion of commissions receivable are future commissions expected to be received within one year, while the non-current portion of commissions receivable are expected to be received beyond one year. The Company estimates the allowance for credit losses using available information from internal and external sources, related to historical experiences, current conditions and forecasts. Our estimates of loss given default are determined by using our historical collections data as well as historical information obtained through our research and review of other peer companies. Our estimated exposure of default is determined by applying these internal and external factors to our commission receivable balances.

### Commissions Payable

Commissions payable represent the estimated share of policy commissions earned by the Company's external channel agents. The current portion of commissions payable are future commissions expected to be paid within one year, while the non-current portion of commissions payable are expected to be paid beyond one year.

### Property, Equipment, and Capitalized Software, Net

Property and equipment are stated at cost, less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives as follows:

<u>Asset Description</u>	<u>Estimated Useful Life</u>
Computer equipment and software	3 years
Office equipment and furniture	7 years
Leasehold improvements	Lesser of useful life (typically 5 years) or remaining lease term

Expenditures for major renewals and improvements that extend the useful life of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

The Company accounts for costs incurred to develop and maintain source code software and other internally developed software applications, primarily consisting of employee-related and third-party contractor costs, pursuant to Accounting Standards Codification ("ASC") Topic 350-40, *Internal Use Software*. Costs incurred during the planning and post-implementation phases of software development are expensed. During the application development phase, costs incurred are capitalized. Capitalized software development costs are amortized over the estimated useful life, which is generally three years. These capitalized costs are recorded within property, equipment, and capitalized software, net, on the Company's Consolidated Balance Sheets and the amortization is charged to technology expense in the Consolidated Statements of Operations.

### Leases

The Company has entered into operating lease agreements primarily consisting of real estate and data centers. At inception of the arrangement, the Company determines if an arrangement is a lease. If an arrangement contains a lease, the Company

recognizes a right-of-use ("ROU") asset and a lease liability on the Consolidated Balance Sheets at lease commencement. The Company has elected the practical expedient to apply the short-term lease recognition exemption for leases with an initial term of 12 months or less.

Operating lease ROU assets represent our right to use an underlying asset and are based upon the lease liabilities adjusted for prepayments or accrued lease payments, initial direct costs, lease incentives, and impairment of operating lease assets. Lease liabilities represent the present value of lease payments over the lease term. The implicit rate within each lease is not readily determinable and therefore we use our incremental borrowing rate at the lease commencement date to determine the present value of the lease payments. The determination of the incremental borrowing rate requires judgement. We determined our incremental borrowing rate for each lease using indicative bank borrowing rates, adjusted for various factors including level of collateralization, term and treasury yield curves that align with the terms of a lease.

After the lease commencement date, changes to a lease are assessed to determine if it represents a lease modification or a separate contract. If a modification exists, operating lease ROU assets and lease liabilities are remeasured using the present value of remaining lease payments and a revised estimated incremental borrowing rate upon lease modification.

We do not include any renewal options in the lease terms for calculating lease liability, as we are not reasonably certain that we will exercise these renewal options at the time of lease commencement or at the time of a lease modification.

The Company has lease agreements with lease and nonlease components. The Company elected the practical expedient to not separate nonlease components from the associated lease components and account for each separate lease component and its associated nonlease components as a single lease component. The Company has applied this accounting policy election to all underlying asset classes.

### **Goodwill and Intangible Assets**

The Company tests goodwill for impairment on an annual basis in the fourth quarter of each year, on November 30<sup>th</sup>, or whenever events or changes in circumstances indicate that the goodwill may be impaired.

During the year ended December 31, 2021, the Company recognized goodwill impairment charges of \$386.6 million, within "Goodwill impairment charges" in the Consolidated Statement of Operations, representing the full amount of goodwill associated with the Company. See Note 4, "Goodwill and Intangible Assets, Net," for further discussion over the goodwill impairment charges. There was no impairment of goodwill for the twelve months ended December 31, 2020.

An intangible asset determined to have an indefinite useful life is not amortized until its useful life is determined to no longer be indefinite. Indefinite-lived intangible assets are evaluated each reporting period to determine whether events and circumstances continue to support an indefinite useful life. Indefinite-lived intangible assets are tested for impairment annually, or more frequently if events or changes in circumstances indicate that the asset might be impaired, such as a significant decline in the observable market value of an asset, a significant change in the extent or manner in which an asset is used, or any other significant, adverse change that would indicate that the carrying amount of an indefinite-lived intangible asset may not be recoverable. If the carrying amount of an indefinite-lived intangible asset exceeds its fair value, an impairment loss is recognized in an amount equal to that excess.

Significant judgment is applied when goodwill and indefinite-lived intangible assets are assessed for impairment. This judgment may include an assessment of qualitative or quantitative factors, such as developing cash flow projections and selecting appropriate royalty and discount rates.

The Company amortizes the cost of definite-lived intangible assets over the respective estimated useful lives on a straight-line basis.

### **Impairment of Long-Lived Assets**

The Company reviews long-lived assets, which include property, equipment, and capitalized software, net, operating lease ROU assets and definite-lived intangible assets, for impairment when facts or circumstances indicate the carrying amount of an asset or asset group may not be recoverable. If impairment indicators are present and the estimated future undiscounted cash flows are less than the carrying value of the assets, the carrying values are reduced to the estimated fair value. Fair values are determined based on quoted market values, discounted cash flows or external appraisals, as applicable.

During the year ended December 31, 2022 and 2021, the Company recognized operating lease impairment charges of \$25.3 million and \$1.1 million, respectively. The operating lease impairment charges reduce the carrying value of the associated ROU assets and leasehold improvements to the estimated fair values. See Note 3, "Fair Value Measurements," for further discussion around fair value determinations. There was no operating lease impairment charge for the twelve months ended December 31, 2020.

## Fair Value of Financial Instruments

The Company applies the accounting guidance related to fair value measurements and discloses information on all financial instruments reported at fair value that enables an assessment of the inputs used in determining the reported fair values. See Note 3, "Fair Value Measurements," for further discussion around fair value determinations.

## Revenue Recognition

The Company recognizes revenue in accordance with ASC 606, *Revenue from Contracts with Customers*. The Company is compensated by the receipt of commission payments from health insurance health plan partners whose health insurance policies are purchased through the Company's ecommerce platforms or customer care centers. The Company also generates revenue from non-commission revenue sources, which it refers to as enterprise revenue and which include Encompass services, providing partner marketing and enrollment services, dedicated insurance agent resources for health plan partner-specific programs, sales of insurance leads to other marketing agencies and health plan partners and the implementation and use of the Company's platform.

The core principle of ASC 606 is to recognize revenue upon the transfer of promised goods or services to customers in an amount that reflects the consideration the entity expects to be entitled to in exchange for those goods or services. Accordingly, the Company recognizes revenue for its services in accordance with the following five steps outlined in ASC 606:

- Identification of the contract, or contracts, with a customer. A contract with a customer exists when (i) the Company enters into an enforceable contract with a customer that defines each party's rights regarding the goods or services to be transferred and identifies the payment terms related to these goods or services, (ii) the contract has commercial substance and, (iii) the Company determines that collection of substantially all consideration for goods or services that are transferred is probable based on the customer's intent and ability to pay the promised consideration. Payment of commissions typically commences within 60 days from the policy effective date. Payment terms from non-commission revenue are typically 30 days from the invoice date.
- Identification of the performance obligations in the contract. Performance obligations promised in a contract are identified based on the goods or services that will be transferred to the customer that are both capable of being distinct, whereby the customer can benefit from the goods or services either on their own or together with other resources that are readily available from third parties or from the Company, and are distinct in the context of the contract, whereby the transfer of the goods or services is separately identifiable from other promises in the contract.
- Determination of the transaction price. The transaction price is determined based on the consideration to which the Company will be entitled in exchange for transferring goods or services to the customer.
- Allocation of the transaction price to the performance obligations in the contract. If the contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation.
- Recognition of revenue when, or as, the Company satisfies a performance obligation. The Company satisfies performance obligations either over time or at a point in time, as discussed in further detail below. Revenue is recognized at the time the related performance obligation is satisfied by transferring the promised good or service to the customer.

## Commission Revenue

The Company recognizes commission revenue from the sale of insurance products at the point when health plan partners approve an insurance application produced by the Company. The Company records as commission revenue the expected amount of initial commissions received from the health plan partners and any renewal commissions to be paid on such placement as long as the policyholder remains with the same insurance product. The Company defines its customer to be the health plan partner.

The Company typically enters into contractual agency relationships with health plans partners that are non-exclusive and terminable on short notice by either party for any reason. In addition, health plan partners often can terminate or amend agreements unilaterally on short notice, including provisions in agreements relating to the commission rates paid to the Company by the health plan partners. The amendment or termination of an agreement the Company has with a health plan partner may adversely impact the commissions it is paid on health insurance plans purchased from the health plan partner.

Compensation in the form of commissions is received from insurance health plan partners for the multiple types of insurance products sold by the Company on behalf of the health plan partners. For Medicare and non-Medicare eligible products, commission revenue generally represents a percentage of the premium amount expected to be collected by the health plan partner while the policyholder is enrolled in the insurance product, including renewal periods. The Company's performance obligation is complete when a health plan partner has received and approved an insurance application. As such, the Company

recognizes revenue at this point in time, which represents the total estimated lifetime commissions it expects to receive for selling the product after the health plan partner approves an application, net of an estimated constraint. The Company's consideration is variable based on the amount of time it estimates a policy will remain in force. The Company estimates the amount of variable consideration that it expects to receive based on historical experience or health plan partner experience to the extent available, industry data and expectations as to future retention rates. Additionally, the Company considers application of the constraint and only recognizes the amount of variable consideration that it believes is probable that it will be entitled to receive and will not be subject to a significant revenue reversal in the future. The Company monitors and updates this estimate at each reporting date. The Company does not have any remaining performance obligations in its commission contracts with customers.

The Company utilizes a practical expedient to estimate commission revenue for each insurance product by applying the use of a portfolio approach to group approved members by the effective month of the relevant policy (referred to as a "vintage"). This allows the Company to estimate the commissions it expects to collect for each vintage by evaluating various factors, including but not limited to, contracted commission rates and expected member churn.

The Company's variable consideration includes estimated and constrained lifetime values as the "constrained LTV" for the plans. The Company's estimate of commission revenue for each product line is based on a number of assumptions, which include, but are not limited to, estimating conversion of an approved applicant to a paying policyholder, forecasting persistency and forecasting the commission amounts likely to be received per policyholder. These assumptions are based on historical trends and incorporate management's judgment in interpreting those trends and in applying constraints.

On a quarterly basis, the Company re-estimates LTV at a vintage level for outstanding vintages, reviews and monitors changes in the data used to estimate LTV, as well as the cash received for each vintage as compared to the original estimates. The difference between cash received for each vintage and the respective estimated LTV can be significant and may or may not be indicative of the need to adjust revenue for prior period vintages. Changes in LTV may result in an increase or a decrease to revenue and a corresponding increase or decrease to commissions receivable. The Company analyzes these differences and, to the extent the Company believes differences in the estimates of the cash received are indicative of an increase or decrease to prior period LTVs, the Company will adjust revenue for the affected vintages at the time such determination is made and when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur.

#### *Enterprise Revenue*

The Company refers to all non-commission revenue collectively as enterprise revenue, which includes the services and products described below.

The Company provides enrollment and engagement services through the Encompass Solution by offering Encompass Connect and Encompass Engage to our health plan partners. Encompass Connect is designed to focus on customer acquisition and to provide enrollment related services to our participating partners. Using machine learning technology, our agents aim to effectively qualify and match individuals with the best plan. The Company is compensated for generating and transferring leads to the health plan partners, and revenue is recognized at a point in time the lead is transferred. The Company's performance obligation is complete when a health plan partner has received a lead, and consideration is variable based on if the lead results in an effective policy and whether that policy remains in force for 90 days. The Company estimates the amount of variable consideration that it expects to receive based on historical experience with commissions revenue or health plan partner experience to the extent available, and expectations as to future retention rates.

Encompass Engage includes post-enrollment member outreach and engagement services, including facilitating an onboarding experience customized to a members' plan and health needs. The Company recognizes Encompass Engage revenue over time based on member retention and providing post-enrollment services.

The Encompass Solution also offers value-based care provider engagement, health risk assessments, social determinants of health screening and preferred pharmacy programs. The Company recognizes revenue for the related performance obligation at a point in time.

The Company is compensated for partner marketing and enrollment services, based on delivering call volumes or providing marketing services to certain insurance health plan partners. The Company is also compensated with performance-based enrollment fees relating to the enrollment of individuals into health insurance plans. The Company recognizes revenue over time for marketing services and at a point in time for enrollment services.

The Company provides direct partner campaigns, where trained agents are dedicated to partner programs that assist in producing health insurance policies. The Company is compensated for the hours incurred on the partner program at the time hours are incurred, and recognizes revenue accordingly.

The Company provides certain customers access to its technology platform, where it charges for the implementation and monthly access to the software. This application allows health plan partners the use of the Company's ecommerce platform to

offer their own health insurance policies on their websites and agents to utilize the Company's technology to power their online quoting, content and application submission processes. Typically, the Company is paid a one-time implementation fee, which it recognizes as control is transferred on a straight-line basis over the estimated term of the customer relationship (generally the initial term of the agreement), commencing once the technology is available for use by the third party.

#### *Incremental Costs to Obtain a Contract*

The Company reviewed its sales compensation plans, which are directed at converting leads into Submissions, and concluded that they are fulfillment costs and not costs to obtain a contract with a health plan partner, which the Company defines as its customer. Additionally, the Company reviewed compensation plans related to personnel responsible for identifying new health plan partners as well as entering into contracts with new health plan partners and concluded that no incremental costs are incurred to obtain such contracts.

#### **Deferred Revenue**

Deferred revenue includes amounts collected from partner marketing and enrollment services, the Encompass Solution, and technology licensing and implementation fees in advance of the Company satisfying its performance obligations for such customers. The Company expects to recognize revenue associated with these remaining performance obligations in the next 12 months.

#### **Cost of Revenue**

Cost of revenue represents payments related to health insurance policies sold to members who were enrolled by partners with whom the Company has commissions revenue-sharing arrangements. In order to enter into a revenue-sharing arrangement, partners must be licensed to sell health insurance in the state where the policy is sold. Costs related to revenue-sharing arrangements are expensed as the related revenue is recognized.

Changes in previous revenue estimates may result in an increase or a decrease to cost of revenue and a corresponding increase or decrease to commissions payable.

#### **Marketing and Advertising**

Marketing expense consists primarily of expenses associated with the Company's direct, online advertising and marketing partner channels, in addition to compensation (including share-based compensation expense) and other expenses related to marketing personnel who manage campaigns and optimize consumer activity. The Company's direct channel expenses primarily consist of costs for e-mail marketing and direct mail marketing. Online advertising expenses primarily consist of paid keyword search advertising on search engines. Marketing partner channel expenses primarily consist of fees paid to marketing partners and affiliates. Marketing costs are expensed as incurred.

Advertising expenses consist of costs incurred to acquire consumers through online, television and direct mail advertisements. Advertising costs incurred during the twelve months ended December 31, 2022, 2021, and 2020, totaled \$178.7 million, \$323.3 million, and \$156.9 million, respectively. Advertising costs are expensed as incurred.

The Company also has arrangements with certain health plan partners that allow the Company to increase marketing efforts, including through direct mail, television advertisements and online advertising for various insurance products that are being offered by these health plan partners. The Company is reimbursed by health plan partners for the incremental marketing efforts and records the amounts received as a reduction of the marketing costs incurred.

#### **Customer Care and Enrollment**

Customer care and enrollment expenses primarily consist of compensation (including share-based compensation expense) and benefits costs for enrollment personnel who assist consumers during the insurance policy enrollment and application processes, along with management and support personnel.

#### **Technology**

Technology expense consists primarily of compensation (including share-based compensation expense) and benefits costs for personnel associated with developing and enhancing the Company's technology platform, data analytics and business intelligence, as well as maintaining the Company's online presence and integrations with health plan partners and federal marketplaces. Technology expense also includes costs for contracted services and supplies and amortization expense to capitalized software.

#### **General and Administrative Expenses**



General and administrative expenses include compensation (including share-based compensation expense) and benefits costs for staff working in the Company's executive, finance, legal, human resources and facilities departments. These expenses also include depreciation and amortization, except amortization expense to capitalized software, facilities costs and fees paid for outside professional services, including audit, tax, legal and governmental affairs.

### Share-Based Compensation Expense

The Company grants share-based awards, including time-vesting and performance-vesting profit units (collectively, "Profit Units"), restricted stock units ("RSUs"), stock options, performance stock units ("PSUs") and stock appreciation rights ("SARs"). Compensation expense for time-vesting units, RSUs, stock options and PSUs are recognized on a straight-line basis over the requisite service or performance period for each award. Performance-vesting units contain market conditions and an implied performance condition, which results in compensation cost being recognized when the performance condition is considered probable of being satisfied. Upon completion of the Company's IPO, the implied performance condition related to the performance-vesting profit units was satisfied, triggering an accelerated vesting of the performance-vesting units and the recognition of the related compensation expense.

The estimated grant date fair value of Profit Units and market-based PSUs is determined using a Monte Carlo simulation and Level 3 inputs. The estimated grant date fair value of stock options is determined using a Black-Scholes pricing model. Assumptions utilized in the Monte Carlo simulation and Black-Scholes pricing model for valuing the awards include the expected life of the award, the expected dividend yield, the risk-free interest rate and the expected volatility. The fair value of RSUs and performance-based PSUs are determined based on the stock price on the date of grant.

The total initial fair value of the SARs is recorded as expense at the time of the grant for SARs with no future service requirement. The fair value of SARs with a future service requirement are recognized on a straight-line basis over the requisite service period. The fair value of the SARs is revalued (mark-to-market) each reporting period using the Black-Scholes valuation model based on the Company's period-end stock price. SARs are liability-classified awards, and as such, are recorded as a liability on the Consolidated Balance Sheets.

### 401(k) Plan

The Company maintains a tax-qualified 401(k) retirement plan (the Plan) that provides eligible employees with an opportunity to save for retirement on a tax-advantaged basis. Eligible employees may defer compensation subject to applicable annual Internal Revenue Code ("Code") limits. The Plan permits participants to make both pretax and after-tax deferral contributions. These contributions are allocated to each participant's individual account and are then invested in selected investment alternatives according to the participants' directions. Employees are fully vested immediately in their contributions. The Plan is qualified under Section 401(a) of the Code and the related trust is tax-exempt under Section 501(a) of the Code.

The Company contributes 50% of the first 4% of compensation a participant contributes to the Plan. These matching contributions are expensed as incurred. The Company recognized expense of \$2.3 million, \$3.1 million and \$1.0 million for the twelve months ended December 31, 2022, 2021 and 2020, respectively, related to these matching contributions. The Company also may make non-elective contributions to the 401(k) plan, which, if made, vest 20% after two years and 20% annually thereafter.

### Contingencies

The Company analyzes whether it is probable that an asset has been impaired, or a liability has been incurred, and whether the amount of loss can be reasonably estimated. If the loss contingency is both probable and reasonably estimable, the Company records the loss at management's best estimate of the loss, or when a best estimate cannot be made, a minimum loss contingency amount is recorded. Legal fees are expensed as incurred. If no accrual is made but the loss contingency is reasonably possible, the nature of the contingency and the corresponding estimated loss, if such an estimate can be made, is disclosed. Loss contingencies include, but are not limited to, possible losses related to legal proceedings and regulatory compliance matters.

### Income Taxes

The Company accounts for income taxes under the liability method in accordance with ASC Topic 740, *Income Taxes*. Accordingly, deferred income taxes are provided for the future tax consequences attributable to differences between the carrying amounts of assets and liabilities for financial reporting and income tax purposes. Deferred tax assets and liabilities are measured using tax rates in effect for the year in which those temporary differences are expected to be recovered or settled.

We utilize a two-step approach for evaluating uncertain tax positions. Step one, recognition, requires a company to determine if the weight of available evidence indicates that a tax position is more likely than not to be sustained upon audit, including resolution of related appeals or litigation processes, if any. Step two, measurement, is based on the largest amount of benefit,

which is more likely than not to be realized on ultimate settlement. We record interest and penalties related to uncertain tax positions as income tax expense in the Consolidated Financial Statements.

On a consolidated basis, income from the Company's Slovakian subsidiary is taxed at a blended U.S. Federal and state statutory rate as it is a C-Corporation for tax purposes. The Slovakian subsidiary records taxes on its income at the Slovakian statutory rate and records tax on its worldwide income at the applicable blended U.S. Federal and state statutory rate, net of the foreign tax credit associated with foreign taxes.

### Seasonality

A greater number of the Company's Medicare-related health insurance plans are sold in its fourth quarter during the Medicare annual enrollment period when Medicare-eligible individuals are permitted to change their Medicare Advantage and Medicare Part D prescription drug coverage for the following year. As a result, the Company's Medicare plan-related commission revenue and Encompass revenue are typically highest in the Company's fourth quarter.

The majority of the Company's individual and family health insurance plans are sold in its fourth quarter during the annual open enrollment period as defined under the federal Patient Protection and ACA and related amendments in the Health Care and Education Reconciliation Act. Individuals and families generally are not able to purchase individual and family health insurance outside of the open enrollment period, unless they qualify for a special enrollment period as a result of certain qualifying events, such as losing employer-sponsored health insurance or moving to another state. As a result, the Company's individual and family plan-related commission revenue is typically highest in the Company's fourth quarter.

### Recent Accounting Pronouncements

In August 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2020-06, *Accounting for Convertible Instruments and Contracts in an Entity's Own Equity* ("ASU 2020-06"). The amendments in ASU 2020-06 eliminate two of the three accounting models that require separate accounting for convertible features of debt securities, simplify the contract settlement assessment for equity classification, require the use of the if-converted method for all convertible instruments in the diluted earnings per share calculation and expand disclosure requirements. The Company adopted ASU 2020-06 on January 1, 2022, and the adoption did not have an impact on the Consolidated Financial Statements and related disclosures.

In March 2020 the FASB issued ASU No. 2020-04, *Reference Rate Reform* ("ASC 848"). The purpose of ASC 848 is to provide optional guidance to ease the potential effects on financial reporting of the market-wide migration away from Interbank Offered Rates to alternative reference rates. ASC 848 applies only to contracts, hedging relationships and other transactions that reference a reference rate expected to be discontinued because of reference rate reform. The new guidance allows entities to prospectively account for contract modifications within the scope of ASC 848. Therefore, such modifications will not require entities to remeasure the modified contract at the modification date or to reassess a prior accounting conclusion. The guidance may be applied upon issuance of ASC 848 through December 31, 2024, as amended by ASU 2022-06, *Reference Rate Reform (ASC 848): Deferral of the Sunset Date of Topic 848* ("ASU 2022-06"), which extended the final sunset date from December 31, 2022 to December 31, 2024. The Company adopted ASC 848 on March 15, 2023 upon the entry into Amendment No.10 to the Company's Credit Agreement, as further discussed in Note 5, "Long-Term Debt." The adoption did not have an impact on the Consolidated Financial Statements and related disclosures.

## 2. BALANCE SHEET ACCOUNTS

### Commissions Receivable

Commissions receivable activity is summarized as follows:

(in thousands)	Dec. 31,	
	2022	2021
Beginning balance	\$ 1,262,507	\$ 810,398
Commission revenue	341,467	881,263
Cash receipts	(572,741)	(428,313)
Allowance for credit losses	200	(841)
<b>Ending balance</b>	<b>1,031,433</b>	<b>1,262,507</b>
Less: Commissions receivable - current	335,796	268,663
Commissions receivable - non-current	\$ 695,637	\$ 993,844

Our contracts with health plan partners expose us to credit risk that a financial loss could be incurred if the counterparty does not fulfill its financial obligation. While we are exposed to credit losses due to the non-performance of our counterparties, we consider the risk of this remote. We estimate our maximum credit risk in determining the commissions receivable amount recorded on the balance sheet.

The commissions receivable balances as of December 31, 2022 and 2021 primarily relate to Medicare Advantage Plans sold during the fourth quarters of 2022 and 2021 with effective dates in 2023 and 2022, respectively.

### Property, Equipment and Capitalized Software, Net

Property, equipment, and capitalized software, net, consist of the following:

(in thousands)	Dec. 31,	
	2022	2021
Computer equipment	\$ 7,872	\$ 12,339
Leasehold improvements	9,339	3,157
Office equipment and furniture	1,356	1,263
Property and equipment	18,567	16,759
Capitalized software	24,976	17,840
Less: Accumulated depreciation and amortization	(18,261)	(10,326)
<b>Property, equipment and capitalized software, net</b>	<b>\$ 25,282</b>	<b>\$ 24,273</b>

Depreciation expense related to property and equipment for the twelve months ended December 31, 2022, 2021 and 2020 was \$6.4 million, \$9.3 million and \$2.9 million, respectively.

Amortization expense related to capitalized software was \$6.5 million, \$4.2 million and \$1.6 million for the twelve months ended December 31, 2022, 2021 and 2020, respectively.

### Accrued Liabilities

Accrued liabilities consist of the following:

(in thousands)	Dec. 31,	
	2022	2021
Bonuses and commissions	\$ 23,752	\$ 18,583
Payroll	10,865	12,824
Marketing costs	6,949	13,065
Interest expense	179	2,994
Other accrued expenses	11,589	5,322
<b>Accrued liabilities</b>	<b>\$ 53,334</b>	<b>\$ 52,788</b>

## 3. FAIR VALUE MEASUREMENTS

The Company defines fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques the Company uses to measure fair value maximize the use of observable inputs and minimize the use of unobservable inputs. The Company classifies the inputs used to measure fair value into the following hierarchy:

Level 1 Inputs	Unadjusted quoted prices in active markets for identical assets or liabilities.
Level 2 Inputs	Unadjusted quoted prices in active markets for similar assets or liabilities; unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability.
Level 3 Inputs	Unobservable inputs for the asset or liability.

### Fair Value Measurements

In connection with the Acquisition, GHH, LLC agreed to pay additional contingent consideration if certain financial targets are achieved. The fair value of the contingent consideration liability was measured using a Monte Carlo simulation and is discounted using a rate that appropriately captures the risk associated with the obligation. In connection with the IPO, a significant shareholder assumed the outstanding contingent consideration liability and the Company recorded the settlement of the \$62.4 million liability as an increase to additional paid-in capital. The following table sets forth the changes to the fair value of the contingent consideration for the twelve months ended December 31, 2020.

(in thousands)	Twelve months ended Dec. 31, 2020	
<b>Balance at Dec. 31, 2019</b>	<b>\$</b>	<b>242,700</b>
Settlement of 2019 earnout		(200,000)
2020 earnout fair value adjustment		19,700
Settlement of 2020 earnout		(62,400)
<b>Balance at Dec. 31, 2020</b>	<b>\$</b>	<b>—</b>

The carrying amount of certain financial instruments, including cash and cash equivalents, accounts receivable, unbilled receivables, accounts payable and accrued expenses approximate fair value due to the short maturity of these instruments. The carrying value of debt approximates fair value due to the variable nature of interest rates.

As part of the Company's continued cost savings initiatives, the Company is actively looking to terminate or sublease certain office spaces and call centers. These actions resulted in a \$25.3 million operating lease impairment charge during the second and third quarters of 2022. The Company recorded an operating lease impairment charge of \$1.1 million during the third quarter of 2021. The operating lease impairment charge reduces the carrying value of the associated ROU assets and leasehold improvements to the estimated fair values. The fair values are estimated using a discounted cash flows approach based on forecasted future cash flows expected to be derived from the property based on current sublease market rent, which is considered a level 3 input in the fair value hierarchy, and other key assumptions such as future sublease market conditions and the discount rate. With respect to the impairment charge for the twelve months ended December 31, 2022, a 5% increase or decrease to the market rent per square foot input would increase or decrease the estimated fair value and resulting impairment charge by approximately \$1.0 million.

#### 4. GOODWILL AND INTANGIBLE ASSETS, NET

##### Goodwill

During 2019, the Company allocated \$380.3 million and \$6.2 million of the goodwill recognized in connection with the Acquisition to its Medicare—Internal segment and Medicare—External segment, respectively, based on an estimate of the relative fair value of each reportable segment.

The Company tests goodwill for impairment at the reporting unit level annually on November 30<sup>th</sup> and whenever events or circumstances make it more likely than not that an impairment may have occurred. A reporting unit is an operating segment or one level below an operating segment to which goodwill is assigned when initially recorded. The Company has four reporting units, which are the same as its four operating segments.

##### *Fourth Quarter 2021 Goodwill Impairment Charges*

During the annual enrollment period in the fourth quarter of 2021, the Company and the broader industry experienced an increase in consumer shopping which led to lower policy persistency than anticipated and resulted in lower LTV performance. Additionally, operating margins in the fourth quarter of 2021 declined significantly which was primarily driven by tight labor markets and resulted in higher than expected customer care and enrollment costs. As such and in connection with the Company's annual and long-range planning process, which coincided with the Company's annual goodwill impairment test as of November 30, 2021, the Company determined the Medicare—Internal and Medicare—External reporting units' financial performance would be lower than previously anticipated. As a result, the Company's quantitative goodwill impairment test indicated that the fair values of the Medicare—Internal and Medicare—External reporting units no longer exceeded its carrying values, and the Company recognized goodwill impairment charges of \$380.3 million and \$6.2 million for the Medicare-Internal and Medicare—External reporting units, respectively, representing the full amount of goodwill associated with these reporting units.

The quantitative goodwill impairment test performed by the Company as of November 30, 2021, included significant level 3 fair value estimates and assumptions including, among others, cash flow projections and selecting an appropriate discount rate.

There was no impairment of goodwill for the twelve months ended December 31, 2020.

##### Intangible Assets

The gross carrying amounts, accumulated amortization and net carrying amounts of the Company's definite-lived amortizable intangible assets, as well as its indefinite-lived intangible trade names, are as follows:

(in thousands)	Dec. 31, 2022		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Developed technology	\$ 496,000	\$ 233,829	\$ 262,171
Customer relationships	232,000	76,560	155,440
<b>Total intangible assets subject to amortization</b>	<b>\$ 728,000</b>	<b>\$ 310,389</b>	<b>\$ 417,611</b>
Indefinite-lived trade names			83,000
<b>Total intangible assets</b>			<b>\$ 500,611</b>

(in thousands)	Dec. 31, 2021		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Developed technology	\$ 496,000	\$ 162,971	\$ 333,029
Customer relationships	232,000	53,360	178,640
<b>Total intangible assets subject to amortization</b>	<b>\$ 728,000</b>	<b>\$ 216,331</b>	<b>\$ 511,669</b>
Indefinite-lived trade names			83,000
<b>Total intangible assets</b>			<b>\$ 594,669</b>

There was no impairment of intangible assets for the twelve months ended December 31, 2022, 2021 and 2020.

As of December 31, 2022, expected annual amortization expense related to intangible assets for each of the five succeeding years is as follows:

(in thousands)	Customer Relationships		Total
	Developed Technology	Customer Relationships	
2023	\$ 70,857	\$ 23,200	\$ 94,057
2024	70,857	23,200	94,057
2025	70,857	23,200	94,057
2026	49,600	23,200	72,800
2027	—	23,200	23,200
Thereafter	—	39,440	39,440
<b>Total</b>	<b>\$ 262,171</b>	<b>\$ 155,440</b>	<b>\$ 417,611</b>

As of December 31, 2022, the weighted-average remaining amortization period for amortizable intangible assets was 3.8 years for developed technology and 6.8 years for customer relationships.

## 5. LONG-TERM DEBT

The Company's long-term debt consisted of the following:

(in thousands)	Dec. 31,	
	2022	2021
Term Loan Facilities	\$ 518,133	\$ 523,403
Revolving Credit Facilities	—	155,000
Less: Unamortized debt discount and issuance costs	(8,053)	(8,018)
<b>Total debt</b>	<b>510,080</b>	<b>670,385</b>
Less: Current portion of long-term debt	(5,270)	(5,270)
<b>Total long-term-debt</b>	<b>\$ 504,810</b>	<b>\$ 665,115</b>

Maturities of long-term debt for each of the next five years is as follows:

(in thousands)

2023	\$	5,270
2024		5,270
2025		507,593
2026		—
2027		—
Thereafter		—
<b>Total</b>	<b>\$</b>	<b>518,133</b>

### Term Loan Facilities

On September 13, 2019, Norvax (the “Borrower”) entered into a first lien credit agreement (the “Credit Agreement”) which provided for a \$300.0 million aggregate principal amount senior secured term loan facility (the “Initial Term Loan Facility”). During 2020, the Company entered into a series of amendments to the Credit Agreement to provide for, among other items as further described below, \$117.0 million of incremental term loans (the “Incremental Term Loan Facility”). On March 23, 2020, the Company issued 444,444 of GHH, LLC Class B common units to a lender that is party to the Company’s Credit Agreement for \$10.0 million in proceeds. The Company incurred \$6.0 million of debt issuance costs associated with the Incremental Term Loan Facility, which are being amortized over the life of the debt to interest expense using the effective interest method.

On June 11, 2021, the Company entered into Amendment No. 5 to the Credit Agreement and Incremental Facility Agreement (“Amendment No. 5”). Amendment No. 5 created a new class of incremental term loans (the “2021 Incremental Term Loans”) in an aggregate principal amount equal to \$310.0 million, which was used to refinance \$295.5 million of outstanding principal under the Initial Term Loan Facility, pay the related accrued interest and fund the prepayment premium. In connection with Amendment No. 5 and the refinancing of the Initial Term Loan, the Company recognized an \$11.9 million loss on debt extinguishment, representing the 2% prepayment premium of \$5.9 million and the write-down of deferred financing costs and debt discounts of \$6.0 million. The Company incurred \$1.7 million of debt issuance costs associated with Amendment No. 5, which are being amortized over the life of the debt to interest expense using the effective interest method.

On November 10, 2021, the Company entered into Amendment No. 6 to the Credit Agreement and Incremental Facility Agreement (“Amendment No. 6”). Amendment No. 6 provided \$100.0 million of incremental term loans (the “2021-2 Incremental Term Loans”). The Company incurred \$2.5 million of debt issuance costs associated with Amendment No. 6, which are being amortized over the life of the debt to interest expense using the effective interest method.

On March 14, 2022, the Company entered into Amendment No. 7 to the Credit Agreement and Incremental Facility Agreement (“Amendment No. 7”). Amendment No. 7 provided that (a) the 2021 Incremental Term Loans, from and after the Amendment No. 7 Effective Date, will bear interest at either (i) alternate base rate (“ABR”) plus 5.50% per annum or (ii) LIBOR plus 6.50% per annum and (b) the 2021-2 Incremental Term Loans, from and after the Amendment No. 7 Effective Date, will bear interest at either (i) ABR plus 5.50% per annum or (ii) LIBOR plus 6.50% per annum. Amendment No. 7 further amended the Credit Agreement to remove testing of the Net Leverage Ratio for the December 31, 2021 period and increased the maximum permitted Net Leverage Ratio for future reporting periods through March 31, 2023. The Company incurred \$1.7 million of debt issuance costs associated with Amendment No. 7, which are being amortized over the life of the debt to interest expense using the effective interest method.

On August 12, 2022, the Company entered into Amendment No. 8 to the Credit Agreement and Incremental Facility Agreement (“Amendment No. 8”). Amendment No. 8 provided that (a) the 2021 Incremental Term Loans, from and after the Amendment No. 8 Effective Date, will bear interest at either (i) ABR plus 6.50% per annum or (ii) LIBOR plus 7.50% per annum and (b) the 2021-2 Incremental Term Loans, from and after the Amendment No. 8 Effective Date, will bear interest at either (i) ABR plus 6.50% per annum or (ii) LIBOR plus 7.50% per annum. Amendment No. 8 further amended the Credit Agreement to increase the maximum permitted Net Leverage Ratio for future reporting periods from December 31, 2022 through June 30, 2023. The Company incurred \$1.0 million of debt issuance costs associated with Amendment No. 8, which are being amortized over the life of the debt to interest expense using the effective interest method.

On November 9, 2022, the Company entered into Amendment No. 9 to the Credit Agreement (“Amendment No. 9”). Amendment No. 9 provided that the Incremental Term Loan, from and after the Amendment No. 8 Effective Date, will bear interest at either (i) ABR plus 6.50% per annum or (ii) LIBOR plus 7.50% per annum. Amendment No. 9 further amended the Credit Agreement to increase the maximum permitted Net Leverage Ratio for the September 30, 2023 reporting period.

On March 15, 2023, the Company entered into Amendment No. 10 to the Credit Agreement (“Amendment No. 10”). Amendment No. 10 amended the Credit Agreement to convert the existing London Interbank-Offered Rate (“LIBOR”)-based rate applicable to the term loan and revolving credit facilities under the Credit Agreement to a Term Secured Overnight Financing Rate (“SOFR”) Rate with a credit spread adjustment of 0.10%, 0.15% or 0.25% per annum for interest periods of one month, three months, or six months, respectively, and a floor of 1.00%, effective on the amendment date.

The Company collectively refers to the Initial Term Loan Facility, the Incremental Term Loan Facility, the 2021 Incremental Term Loans and the 2021-2 Incremental Term Loans as the "Term Loan Facilities."

As of December 31, 2022, the Company had a principal amount of \$113.7 million, \$305.4 million and \$99.0 million outstanding under the Incremental Term Loan Facility, the 2021 Incremental Term Loans and the 2021-2 Incremental Term Loans, respectively. As of December 31, 2021, the Company had a principal amount of \$115.0 million, \$308.4 million and \$100.0 million outstanding under the Incremental Term Loan Facility, the 2021 Incremental Term Loans and the 2021-2 Incremental Term Loans, respectively. The Incremental Term Loan Facility effective interest rate was 11.2% and 7.5% at December 31, 2022 and 2021, respectively. The 2021 Incremental Term Loans and the 2021-2 Incremental Term Loans effective interest rate was 11.2% and 6.0% at December 31, 2022 and 2021, respectively.

The Term Loan Facilities are payable in quarterly installments in the principal amount of 0.25% of the original principal amount. The remaining unpaid balance on the Term Loan Facilities, together with all accrued and unpaid interest thereon, is due and payable on or prior to September 13, 2025.

#### *Voluntary Prepayment*

The Borrower may voluntarily prepay outstanding borrowings under the Term Loan Facilities at any time in whole or in part without premium or penalty; provided, that, with respect to voluntary prepayments of the Term Loan Facilities and in certain other circumstances, the Borrower may have to pay a prepayment premium.

#### *Mandatory Prepayments*

The Credit Agreement requires that the Borrower, following the end of each fiscal year, offer to repay the outstanding principal amount of all term loans under the Credit Facilities in an aggregate amount equal to (A) 50.0% of the excess cash flow of the Borrower and its restricted subsidiaries for such fiscal year if the Total Net Leverage Ratio (as defined in the Credit Agreement) is greater than 4.50:1.00, which percentage is reduced to 25% if the Total Net Leverage Ratio is less than or equal to 4.50:1.00 and greater than 4.00:1.00, which percentage is further reduced to 0% if the Total Net Leverage Ratio is less than or equal to 4.00:1.00, minus (B) at the option of the Borrower, (x) the aggregate amount of certain voluntary prepayments of term loans under the Credit Agreement during such fiscal year or after year-end and prior to the time such Excess Cash Flow prepayment is due, (y) the aggregate principal amount of any voluntary prepayments of indebtedness under pari passu incremental facilities, incremental equivalent debt and/or certain refinancing indebtedness, made during such fiscal year or after such fiscal year and prior to the time such prepayment is due. With respect to each required offer of prepayment, each lender of the term loans has the right to refuse any such offer. To the extent any such offer of prepayment is refused, the aggregate amount of the offered prepayment shall be retained by the Borrower and its restricted subsidiaries.

The Credit Agreement requires the Borrower to repay amounts equal to 100% of the net cash proceeds of certain asset sales or other dispositions of property (including insurance and condemnation proceeds); provided, that, in the case of any prepayment events required in connection with certain dispositions and casualty events, if the net proceeds therefrom are invested (or committed to be invested) within 12 months after the receipt of such net proceeds, then no prepayment shall be required except to the extent such net proceeds have not been so invested (or committed to be invested) by the end of such 12-month period.

The Credit Agreement requires 100% of the net proceeds from the issuance or incurrence of certain indebtedness to be applied to prepay the term loans under the Term Loan Facilities, except to the extent the indebtedness constitutes refinancing indebtedness. During the twelve months ended December 31, 2022, the Company did not make any mandatory prepayments.

#### **Revolving Credit Facilities**

The Credit Agreement provided for a \$30.0 million aggregate principal amount senior secured revolving credit facility (the "Revolving Credit Facility"). During 2020, the Company entered into a series of amendments to the Credit Agreement to provide for \$28.0 million of incremental revolving credit (the "Incremental Revolving Credit Facilities").

On May 7, 2021, the Company entered into a fourth amendment to the Credit Agreement, which provided \$142.0 million of incremental revolving credit (the "Incremental No. 4 Revolving Credit Facility"), for a total amount of \$200.0 million.

The Company collectively refers to the Revolving Credit Facility, the Incremental Revolving Credit Facilities and the Incremental No. 4 Revolving Credit Facility as the "Revolving Credit Facilities".

Amendment No. 5, as described above, also separates the Revolving Credit Facilities into two classes of revolving commitments consisting of Class A Revolving Commitments in the amount of \$30.0 million and Class B Revolving Commitments in the amount of \$170.0 million.

Borrowings under the Class A Revolving Commitments bear interest at either ABR plus 5.50% per annum or LIBOR plus 6.50% per annum. Borrowings under the Class B Revolving Commitments bear interest at either ABR plus 3.00% per annum or LIBOR

plus 4.00% per annum. The Borrower is required to pay a commitment fee of 0.50% per annum under the Revolving Credit Facilities.

The Company had no amounts outstanding under the Class A Revolving Credit Facilities and Class B Revolving Credit Facilities as of December 31, 2022. The Company had \$23.2 million outstanding under the Class A Revolving Credit Facilities and \$131.8 million outstanding under the Class B Revolving Credit Facilities as of December 31, 2021. The Revolving Credit Facilities had a remaining capacity of \$200.0 million in the aggregate as of December 31, 2022 and \$45.0 million as of December 31, 2021. The Class A Revolving Credit Facilities and Class B Revolving Credit Facilities effective interest rates at December 31, 2022 were 10.4% and 7.9%, respectively. At December 31, 2021 the Class A Revolving Credit Facilities and Class B Revolving Credit Facilities effective interest rates were 7.5% and 5.0%, respectively.

Outstanding borrowings under the Revolving Credit Facilities do not amortize and are due and payable on September 13, 2024.

### **Guarantees and Security**

The Borrower's obligations under the Term Loan Facilities and Revolving Credit Facilities are guaranteed by Blizzard Midco, LLC and certain of the Borrower's subsidiaries. All obligations under the Credit Agreement are secured by a first priority lien on substantially all of the assets of the Borrower, including a pledge of all of the equity interests of its subsidiaries.

### **Covenants and Other Matters**

The Credit Agreement contains a number of covenants that, among other things and subject to certain exceptions, restrict the Borrower's and its restricted subsidiaries' ability to incur indebtedness; incur certain liens; consolidate, merge or sell or otherwise dispose of assets; make investments, loans, advances, guarantees and acquisitions; pay dividends or make other distributions on equity interests, or redeem, repurchase or retire equity interests; enter into transactions with affiliates; alter the business conducted by the Company and subsidiaries; change their fiscal year; and amend or modify governing documents. In addition, the Credit Agreement contains financial and non-financial covenants. The Company is in compliance with all covenants as of December 31, 2022.

The Credit Agreement also contains certain customary representations and warranties and affirmative covenants, and certain reporting obligations. In addition, the lenders under the Credit Facilities will be permitted to accelerate all outstanding borrowings and other obligations, terminate outstanding commitments and exercise other specified remedies upon the occurrence of certain events of default (subject to certain grace periods and exceptions), which include, among other things, payment defaults, breaches of representations and warranties, covenant defaults, certain cross-defaults and cross-accelerations to other indebtedness, certain events of bankruptcy and insolvency, certain judgments and changes of control. Subject to certain limited exceptions, substantially all of the Company's assets are restricted from distribution.

## **6. STOCKHOLDERS' EQUITY**

In connection with the Company's IPO in July 2020, the Company's Board of Directors approved an amended and restated certificate of incorporation and amended and restated bylaws. The amended and restated certificate of incorporation authorizes the issuance of up to 1,100,000,000 shares of Class A common stock, 690,000,000 shares of Class B common stock and 20,000,000 shares of preferred stock, each having a par value of \$0.0001 per share. The number of shares of Class B common stock authorized is reduced for redemptions and forfeitures as they occur.

The Company's amended and restated certificate of incorporation and the GoHealth Holdings, LLC Agreement require that the Company and GoHealth Holdings, LLC at all times maintain a one-to-one ratio between the number of shares of Class A common stock issued by the Company and the number of LLC Interests owned by the Company, except as otherwise determined by the Company. Additionally, the Company's amended and restated certificate of incorporation and the GoHealth Holdings, LLC Agreement require that the Company and GoHealth Holdings, LLC at all times maintain a one-to-one ratio between the number of shares of Class B common stock owned by the Continuing Equity Owners and their respective permitted transferees and the number of LLC Interests owned by the Continuing Equity Owners and their respective permitted transferees, except as otherwise determined by the Company. Only the Continuing Equity Owners and the permitted transferees of Class B common stock are permitted to hold shares of Class B common stock. Shares of Class B common stock are transferable for shares of Class A common stock only together with an equal number of LLC Interests.

Holders of shares of the Company's Class A common stock are entitled to one vote for each share held of record on all matters submitted to a vote of stockholders. Each share of Class B common stock entitles its holders to one vote per share on all matters presented to the Company's stockholders generally. Holders of shares of Class B common stock will vote together with holders of the Company's Class A common stock as a single class on all matters presented to the Company's stockholders for their vote or approval, except for certain amendments to the Company's amended and restated certificate of incorporation or as otherwise required by applicable law or the amended and restated certificate of incorporation. Holders of our Class B common stock are not entitled to participate in any dividends declared by the Company's Board of Directors. Under the terms of the Company's amended and restated certificate of incorporation, the Company's Board of Directors is authorized to direct the Company to issue



shares of preferred stock in one or more series without stockholder approval. The Company's Board of Directors has the discretion to determine the rights, preferences, privileges and restrictions, including voting rights, dividend rights, conversion rights, redemption privileges and liquidation preferences, of each series of preferred stock.

The Continuing Equity Owners may, subject to certain exceptions, from time to time at each of their options require GoHealth Holdings, LLC to redeem all or a portion of their LLC Interests in exchange for, at the Company's election (determined by at least two of the Company's independent directors who are disinterested), newly-issued shares of Class A common stock on a one-for-one basis, or to the extent there is cash available from a secondary offering, a cash payment equal to a volume weighted average market price of one share of the Company's Class A common stock for each LLC Interest so redeemed, in each case, in accordance with the terms of the GoHealth Holdings, LLC Agreement.

Upon the Company's dissolution or liquidation, after payment in full of all amounts required to be paid to creditors and to the holders of preferred stock having liquidation preferences, holders of Class A common stock and Class B common stock will be entitled to receive ratable portions of the Company's remaining assets available for distribution; provided, that the holders of Class B common stock shall not be entitled to receive more than \$0.0001 per share of Class B common stock and upon receiving such amount, shall not be entitled to receive any of the Company's other assets or funds with respect to such shares of Class B common stock.

### **Redeemable Convertible Preferred Stock**

On September 23, 2022 (the "Closing Date"), the Company issued 50,000 shares of the Company's Series A Convertible Perpetual Preferred Stock (the "Issuance"), par value \$0.0001 per share (the "Series A redeemable convertible preferred stock"), to Elevance and GH 22 Holdings, Inc. (the "Purchasers") for an aggregate purchase price of \$50.0 million, at \$1,000 per share of the Series A redeemable convertible preferred stock.

The Company is authorized to issue 20,000,000 shares of preferred stock with a par value of \$0.0001 per share as of both December 31, 2022 and 2021, which had not been designated to any specific classes of preferred stock prior to the Closing Date. On the Closing Date, the Company designated and authorized the issuance of 50,000 shares under the Series A redeemable convertible preferred stock and 200,000 shares under the Series A-1 Convertible Non-Voting Perpetual Preferred Stock (the "Series A-1 convertible preferred stock").

The Series A redeemable convertible preferred stock ranks senior to the shares of the Company's Class A common stock and Class B common stock with respect to dividend rights and rights on the distribution of assets on any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company. The Series A redeemable convertible preferred stock has an initial liquidation preference of \$1,000 per share, which shall increase by accumulated quarterly dividends that are not paid in cash ("compounded dividends"). Dividends on each share of Series A redeemable convertible preferred stock shall accrue at an annual rate equal to 7%, whether or not declared. Holders of Series A-1 convertible preferred stock are only entitled to dividends if the Company declares such dividends. For the twelve months ended December 31, 2022, the Company accrued \$0.9 million of dividends, which are included as a component of Series A redeemable convertible preferred stock with an offsetting adjustment to Additional Paid in Capital on the Consolidated Balance Sheets.

The Series A redeemable convertible preferred stock is convertible in full at the option of the holders into the number of shares of Class A common stock equal to the quotient of (a) the sum of (x) the liquidation preference (reflecting increases for compounded dividends) plus (y) the accrued dividends with respect to each share of Series A redeemable convertible preferred stock as of the applicable conversion date divided by (b) the conversion price (\$9.60 as of December 31, 2022 and subject to adjustment based on certain changes to the Company's Class A common stock) as of the applicable conversion date. Notwithstanding the foregoing, a holder of Series A redeemable convertible preferred stock may elect to receive upon conversion, in lieu of the shares of Class A common stock otherwise deliverable, one share of Series A-1 convertible preferred stock for every 1,000 shares of Class A common stock otherwise deliverable upon conversion. The Series A-1 convertible preferred stock will be essentially a substitute for the Class A common stock in the form of non-voting preferred stock.

The terms of the Series A redeemable convertible preferred stock and the Series A-1 convertible preferred stock contain certain anti-dilution adjustments. Subject to certain conditions, at any time after the third anniversary of the Closing Date, if the volume weighted average price per share of Class A common stock on Nasdaq is equal to or greater than 150% of the then-applicable conversion price for each of at least twenty (20) trading days, whether or not consecutive, in any period of thirty (30) consecutive trading days ending on and including the trading day immediately before the Company provides the holders with notice of its election to convert all or a portion of the Series A redeemable convertible preferred stock into the relevant number of shares of Class A common stock or Series A-1 convertible preferred stock (at the election of the holder), the Company may elect to convert all or a portion of the Series A redeemable convertible preferred stock into the relevant number of shares of Class A common stock or Series A-1 convertible preferred stock.

In the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company, the holders of shares of Series A-1 convertible preferred stock (if issued upon conversion of the Series A redeemable convertible preferred stock) will be entitled, out of assets legally available therefor, and subject to the rights of the holders of any senior stock

(including the Series A redeemable convertible preferred stock) or parity stock (including the Class A common stock and Class B common stock) and the rights of the Company's existing and future creditors, to receive an aggregate amount per share equal to 1,000 (as may be adjusted) times the aggregate amount to be distributed per share to holders of shares of Class A common stock. Each holder of a whole share of Series A-1 convertible preferred stock (if issued upon conversion of the Series A redeemable convertible preferred stock) shall be entitled to receive when, as and if declared by the Company's Board of Directors out of funds legally available for the purpose, an amount per share equal to 1,000 (as may be adjusted) times the aggregate per share amount of all cash dividends, and 1,000 (as may be adjusted) times the aggregate per share amount (payable in kind) of all non-cash dividends or other distributions other than a dividend payable in shares of Class A common stock or a subdivision of the outstanding shares of Class A common stock (by reclassification or otherwise), declared on each share of Class A common stock since the first issuance of any share of Series A-1 convertible preferred stock. Each holder of Series A-1 convertible preferred stock (if issued upon conversion of the Series A redeemable convertible preferred stock) will have the right, at such holder's option, to convert in full each share of such holder's Series A-1 convertible preferred stock at such time into the number of shares of Class A common stock based upon a conversion ratio of 1,000 shares of Class A common stock for each share of Series A-1 convertible preferred stock.

Under the Certificate of Designations for the Series A redeemable convertible preferred stock (the "Certificate of Designations"), holders of the Series A redeemable convertible preferred stock are entitled to vote with the holders of the Class A common stock on an as-converted basis on all matters submitted to a vote of the holders of the Class A common stock. Notwithstanding the foregoing: (1) the lead Purchaser's voting rights shall not exceed 9.99% of the voting rights associated with the issued and outstanding shares of capital stock of the Company at any time; and (2) the voting rights of the Purchasers holding Series A redeemable convertible preferred stock, voting on an as-converted basis with the holders of the Class A common stock and the holders of any other class or series of capital stock of the Company then entitled to vote, shall be capped at the maximum amount that would not result in requiring shareholder approval for the exercise of such voting rights pursuant to the rules of Nasdaq. The Series A-1 convertible preferred stock is not entitled to vote with the Class A common stock on matters submitted to a vote of the holders of the Class A common stock and will have no voting rights except as required by applicable law.

In addition, holders of the Series A redeemable convertible preferred stock are entitled to a separate class vote with respect to, among other things, amendments to the Company's organizational documents that materially, adversely and disproportionately affect the Series A redeemable convertible preferred stock, authorizations or issuances by the Company of securities that are senior to or pari passu with the Series A redeemable convertible preferred stock and issuing any debt security (for the avoidance of doubt, excluding any draws under the Company's Existing Credit Agreement referenced in the Certificate of Designations), if the Company's Consolidated Total Net Debt (as defined in the Certificate of Designations) following such action would exceed four times the Company's Consolidated EBITDA (as defined in the Certificate of Designations) for the Company's most recently completed four consecutive fiscal quarters.

At any time following the fifth anniversary of the Closing Date, the Company may redeem the Series A redeemable convertible preferred stock, in whole or in part, for a per share amount in cash equal to the liquidation preference (reflecting increases for compounded dividends) thereof plus all accrued dividends as of the applicable redemption date. Upon certain change of control events involving the Company, (i) a holder of the Series A redeemable convertible preferred stock may, so long as such payment would not otherwise result in a breach of, or event of default under, then-existing credit agreements, indentures or other financing arrangements, require the Company to purchase and (ii) subject to a holder's right to convert its shares of Series A redeemable convertible preferred stock into Class A common stock or Series A-1 convertible preferred stock at the then-current conversion price, the Company may elect to purchase, all or a portion of such holder's shares of Series A redeemable convertible preferred stock that have not been so converted, in each case at a purchase price per share of Series A redeemable convertible preferred stock, payable in cash, equal to (A) if the change of control effective date occurs at any time prior to the fifth anniversary of the Closing Date, 160% of a Purchaser's original investment amount and (B) if the change of control effective date occurs on or after the fifth anniversary of the Closing Date, the liquidation preference (reflecting increases for compounded dividends) of such share of Series A redeemable convertible preferred stock plus the accrued dividends in respect of such share of Series A redeemable convertible preferred stock as of the change of control purchase date.

The Purchasers have entered into a customary registration rights agreement (the "Registration Rights Agreement") with respect to shares of Class A common stock held by the Purchasers issued upon any future conversion of the Series A redeemable convertible preferred stock or Series A-1 convertible preferred stock.

In connection with the Issuance, the Company, as the managing member of GoHealth Holdings, LLC (the "LLC"), caused the LLC (i) to issue to the Company, in exchange for the proceeds from the Issuance, Series A preferred units (the "Preferred Units") and (ii) to authorize another series of preferred units (the "Series A-1 Preferred Units"), in each case having an aggregate liquidation preference and having terms substantially economically equivalent to the aggregate liquidation preference and the economic terms of the Series A redeemable convertible preferred stock and the Series A-1 convertible preferred stock, respectively, and entered into Amendment No. 2 to the Second Amended and Restated Limited Liability Company Agreement of GoHealth Holdings, LLC ("Amendment No. 2") to effectuate the same.

The Company classifies the Series A redeemable convertible preferred stock outside of permanent equity as temporary equity since the redemption of such shares is not solely within the Company's control. The Company does not remeasure the

redeemable convertible preferred stock because it is not currently redeemable and not probable of becoming redeemable. The redeemable convertible preferred stock was recorded at fair value upon issuance, net of issuance costs of \$1.6 million.

## Reverse Stock Split

On November 10, 2022, the Board of Directors approved a resolution to effect a reverse stock split such that every holder of Class A common stock and Class B common stock (together, "Common Stock") received one share of the respective class of stock for every fifteen shares of Common Stock held (the "Reverse Stock Split"). The Reverse Stock Split also adjusted the LLC Interests. The authorized shares and par value per share of the Common Stock and preferred stock were not adjusted as a result of the Reverse Stock Split. With respect to the Series A redeemable convertible preferred stock, the conversion price was automatically adjusted to account for the Reverse Stock Split for such shares. Share and per share amounts of preferred stock were not adjusted as a result of the Reverse Stock Split. The Reverse Stock Split became effective on November 17, 2022.

## 7. SHARE-BASED COMPENSATION PLANS

The following table summarizes share-based compensation expense by operating function for the periods presented:

(in thousands)	Twelve months ended Dec. 31,		
	2022	2021	2020
Marketing and advertising	\$ 1,653	\$ 2,108	\$ 24,890
Customer care and enrollment	2,218	3,775	12,599
Technology	2,924	3,775	33,085
General and administrative (1)	25,329	17,639	145,655
<b>Total share-based compensation expense</b>	<b>\$ 32,124</b>	<b>\$ 27,297</b>	<b>\$ 216,229</b>

(1) For the twelve months ended December 31, 2022, share-based compensation expense includes expense related to the stock appreciation rights ("SARs"), which are liability classified awards.

## Profit Units

Effective September 13, 2019 and in conjunction with the Acquisition, the Company authorized the grants of non-voting Profit Units. The Profit Units were issued by Blizzard Management Feeder, LLC ("Feeder"), to employees on behalf of the Company. One-third of the Profit Units granted to each employee will vest in 5 equal installments on the first through fifth anniversaries of the date of grant, so long as the employee remains employed by the Company through the applicable vesting date ("Time-Vesting Units"). Two-thirds of the Profit Units granted to each individual were to vest upon a liquidity event based on certain predetermined criteria ("Performance-Vesting Units"). Following the completion of the Transactions, each of the members of Feeder directly holds common units of Feeder that correspond to the LLC Interests (and associated shares of Class B common stock on a one-for-one basis) directly held by Feeder for each such member's benefit.

Compensation expense for the Time-Vesting Units is recognized on a straight-line basis over the five-year requisite service period beginning on the grant date and will continue subsequent to the IPO. Performance-Vesting Units contain market conditions and an implied performance condition, which results in compensation cost being recognized when the performance condition is considered probable of being satisfied. Performance-Vesting Units vest upon the achievement of a contingent exit event that is defined as a transaction in which the ultimate parent disposes of all or substantially all of its investment in the Company. Such an exit event is not considered probable until it consummates.

In June 2020, the Company modified the terms of the Performance-Vesting Units such that the performance targets were measured against the public offering price of the IPO, which resulted in a modification and remeasurement of the Performance-Vesting Units. The completion of the IPO in July 2020 satisfied the implied performance condition and triggered an accelerated vesting of all Performance-Vesting Units, which are now issued and outstanding as of the IPO. The Company recorded the related share-based compensation expense of \$209.3 million in the third quarter of 2020 with a corresponding increase to non-controlling interests.

A summary of the Profit Units issued is as follows:

(in thousands except per share amounts)	Number of Time-Vesting Units	Weighted Average Grant Date Fair Value
<b>Unvested units at Dec. 31, 2021</b>	<b>272</b>	<b>\$ 22.65</b>
Granted	—	—
Vested	(177)	21.69
Forfeited	(47)	22.69
<b>Unvested units at Dec. 31, 2022</b>	<b>48</b>	<b>\$ 26.15</b>

The fair value of the Profit Units was determined using a Monte Carlo simulation and the following assumptions:

	Twelve months ended Dec. 31, 2020
Risk free interest rate	1.40%
Expected volatility	76.0%
Expected life (years)	4.60
Expected dividend yield	0.0%

The expected life was based on estimates of the likely timing of a liquidity event. Volatility was determined based on an analysis of publicly traded peers.

As of December 31, 2022, there was \$1.0 million of unamortized share-based compensation expense related to Time-Vesting Units and these costs are expected to be recognized over a remaining weighted average period of 1.9 years.

#### 2020 Incentive Award Plan

On July 7, 2020, the Company adopted the 2020 Incentive Award Plan, which became effective on July 14, 2020. The number of Class A shares available for issuance will be increased annually on January 1 of each calendar year beginning in 2021 and ending in and including 2030, equal to the lesser of (A) 5% of the shares of the Company's Common Stock outstanding on the final day of the immediately preceding calendar year and (B) a smaller number of shares as determined by the Company's Board of Directors. The number of Class A shares reserved for issuance at December 31, 2022 was 547,839 shares.

#### 2021 Employment Inducement Award Plan

On December 19, 2021, the Board of Directors approved the adoption of the GoHealth, Inc. 2021 Employment Inducement Award Plan (as amended from time to time, the "Inducement Award Plan"). In accordance with Rule 5635(c)(4), awards under the Inducement Award Plan may only be made to a newly hired employee who has not previously been a member of the Board of Directors, or an employee who is being rehired following a bona fide period of non-employment by the Company or a subsidiary, as a material inducement to the employee's entering into employment with the Company or its subsidiary. On June 3, 2022, the Company approved an amendment to the Inducement Award Plan, solely to increase the shares of the Company's Class A common stock reserved for issuance from an aggregate of 266,667 Class A shares to an aggregate of 1,666,666 Class A shares. As of December 31, 2022, there were 344,447 Class A shares available for grant under the Inducement Award Plan.

#### Restricted Stock Units ("RSUs")

The Company measures expense for RSUs based on the fair value of the awards on the grant date. The Company recognizes the grant date fair value of RSUs as compensation expense on a straight-line basis over the requisite service period of each award, which is generally three years. On June 7, 2022, the Company granted, to certain of its executives, an aggregate of 511,111 shares of Class A common stock issuable pursuant to RSUs, all of which were fully vested on the date of grant. The Company recognized the grant-date fair value of these RSUs, or \$6.3 million, as compensation expense on the date of grant.

A summary of the RSUs issued is as follows:

(in thousands except per share amounts)	Number of RSUs	Weighted Average Grant Date Fair Value
<b>Unvested units at Dec. 31, 2021</b>	<b>165</b>	<b>\$ 193.78</b>
Granted	1,834	11.45
Vested	(586)	27.03
Forfeited	(316)	45.62
<b>Unvested units at Dec. 31, 2022</b>	<b>1,097</b>	<b>\$ 20.71</b>

As of December 31, 2022, there was \$15.5 million of unamortized share-based compensation expense related to RSUs and these costs are expected to be recognized over a remaining weighted average period of 1.4 years.

#### Stock Options

The Company measures expense for stock options based on the fair value of the awards on the grant date. The Company recognizes the grant date fair value of stock options as compensation expense on a straight-line basis over the requisite service period of each award, which is generally three to four years.

A summary of the stock options issued to employees is as follows:

(in thousands except per share amounts)	Number of Stock Options	Weighted Average Grant Date Fair Value	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value (1)
<b>Outstanding at Dec. 31, 2021</b>	<b>322</b>	<b>\$ 127.74</b>	<b>9.0</b>	<b>\$ 105</b>
Granted	273	9.66		
Exercised	(1)	149.07		
Forfeited	(128)	101.26		
Expired	(30)	150.59		
<b>Outstanding at Dec. 31, 2022</b>	<b>436</b>	<b>\$ 62.63</b>	<b>8.8</b>	<b>\$ 1</b>
<b>Exercisable at Dec. 31, 2022</b>	<b>85</b>	<b>\$ 151.92</b>	<b>7.8</b>	<b>\$ 1</b>

(1) The aggregate intrinsic value is calculated as the product between the Company's closing stock price as of December 31, 2022 and 2021 and the exercise price of in-the-money options as of those dates.

The fair value of stock options with a requisite service period of three to four years is determined using the Black-Scholes option pricing model using the following ranges of assumptions:

	Twelve months ended Dec. 31, 2022		
Risk free interest rate	1.74%	—	3.36%
Expected volatility	74.4%	—	83.2%
Expected life (years)	6.00	—	6.00
Expected dividend yield	0.0%	—	0.0%

As of December 31, 2022, there was \$9.3 million of unamortized share-based compensation expense related to stock options and these costs are expected to be recognized over a remaining weighted average period of 1.2 years.

#### Performance Stock Units (“PSUs”)

During 2021, the Company granted to certain of its employees 32,579 shares of Class A common stock issuable pursuant to PSUs. The criteria for the market-based PSUs is based on the Company's total shareholder return (“TSR”) relative to the TSR of the common stock of a predefined industry peer group. TSR is measured at the end of the performance period, which is generally the period commencing on the grant date and ending on the three-year anniversary of the grant date. Depending on the relative TSR achieved, the number of PSUs earned can vary from 0% of the target award to a maximum of 200% of the target award. The Company estimated the grant-date fair value of the awards subject to a market condition using a Monte Carlo simulation model, using the following weighted-average assumptions: risk-free interest rate of 0.2% and annualized volatility of 72.0%. The grant date fair value of the PSUs was \$332.55. The Company recognizes the grant date fair value of PSUs as compensation expense on a straight-line basis over the three-year performance period.

On June 7, 2022, the Company granted, to certain of its executives, an aggregate of 194,444 shares of Class A common stock issuable pursuant to volume weighted average PSUs (“VWAPs”). The number of shares issued on the third anniversary of the date of grant is based on volume weighted average price performance over such three year period (“Three Year VWAP”) in the following percentages: (i) 50% if the Three Year VWAP is equal to or greater than \$30.00 but less than \$45.00; (ii) 100% if the Three Year VWAP is equal to or greater than \$45.00 but less than \$60.00; (iii) 150% if the Three Year VWAP is equal to or greater than \$60.00 but less than \$90.00; and (iv) 200% if the Three Year VWAP is equal to or greater than \$90.00. The Company estimated the grant-date fair value of the awards subject to a market condition using a Monte Carlo simulation model, using the following weighted-average assumptions: risk-free interest rate of 2.9% and annualized volatility of 94%. The grant-date fair value of the VWAPs was \$8.25. The Company recognizes the grant-date fair value of VWAPs as compensation expense on a straight-line basis over the three-year performance period.

A summary of the PSUs issued is as follows:

(in thousands except per share amounts)	Number of PSUs	Weighted Average Fair Value at Date of Grant Per Unit
<b>Unvested units at December 31, 2021</b>	<b>31</b>	<b>\$ 332.55</b>
Granted	211	8.26
Vested	—	—
Forfeited	(28)	140.58
<b>Unvested units at December 31, 2022</b>	<b>214</b>	<b>\$ 38.46</b>

As of December 31, 2022, there was \$3.8 million of unamortized share-based compensation expense related to PSUs and these costs are expected to be recognized over a remaining weighted average period of 1.6 years.

#### 2020 Employee Stock Purchase Plan ("2020 ESPP")

On July 7, 2020, the Company adopted the 2020 Employee Stock Purchase Plan ("ESPP"), which became effective on the same date. The purpose of the 2020 ESPP is to provide the Company's eligible employees with an opportunity to purchase designated shares of the Company's Class A common stock at a price equal to 85% of the lower of the closing price at the beginning or end of each offering period. The number of shares available for issuance under the ESPP will be annually increased on January 1 of each calendar year beginning in 2021 and ending in 2030, by an amount equal to the lesser of: (i) 1% of the aggregate number of shares of the Company's Common Stock outstanding on the final day of the immediately preceding calendar year and (ii) such smaller number of shares as is determined by the Company's board of directors. The number of shares reserved for issuance at December 31, 2022 was 85,854 shares.

The Company issued 87,207 and 13,941 shares of Class A common stock through the ESPP for the twelve months ended December 31, 2022 and 2021, respectively. No shares were issued under the ESPP in 2020. The Company recorded share-based compensation expense related to the 2020 ESPP of \$0.5 million and \$0.4 million for the twelve months ended December 31, 2022 and 2021, respectively.

#### Stock Appreciation Rights

On June 6, 2022, the Founders were each granted two stock appreciation rights ("SARs") under the 2020 Plan. The first SAR commenced on June 6, 2022, and the second SAR will commence on or about June 1, 2023. Each SAR will be settled in cash with an aggregate commencement date value equal to \$1.5 million (the number of shares to be determined by dividing such value by the per share Black-Scholes valuation as of the date of commencement), will have an exercise price equal to the fair market value of a share of the Company's common stock on the date of commencement and will vest in full on the third anniversary of the date of commencement. The total initial fair value of the awards were recorded as expense at the time of the grant for the SARs with no future service requirement. The fair value of the awards with a future service requirement will be recognized on a straight-line basis over the requisite service period. The fair value of the SARs is revalued (mark-to-market) each reporting period using the Black-Scholes valuation model based on the Company's period-end stock price. SARs are liability-classified awards, and as such, are recorded as a liability on the Consolidated Balance Sheet. As of December 31, 2022, the Company had a share-based compensation liability related to the SARs of \$5.0 million.

#### Stock Option Repricing

On April 25, 2022 and in accordance with the terms of the GoHealth, Inc. 2020 Incentive Award Plan, the Board of Directors approved a stock option repricing (the "Repricing") where the exercise price of each Relevant Option (as defined below) was reduced to \$15.75 per share, the average trailing 20 trading day closing price of the Company's Class A common stock as of market close on the day of board approval. "Relevant Options" are all outstanding stock options as of April 25, 2022 (vested or unvested) to acquire shares of the Company's Class A common stock that were issued to currently employed employees prior to April 1, 2022, but excluding stock options granted to certain executive officers. Except for the reduction in the exercise price of the Relevant Options, all outstanding stock options will continue to remain outstanding in accordance with their current terms and conditions. As a result of the Repricing, the Company will record an incremental share-based compensation charge of \$1.1 million, of which \$0.3 million was recognized on the date of the Repricing, and \$0.8 million is recognized over the remaining term of the repriced options.

## **8. NET LOSS PER SHARE**

Basic loss per share is computed by dividing net loss attributable to common stockholders by the weighted-average number of shares of Class A common stock outstanding during the period. Diluted loss per share for all periods presented is the same as basic loss per share as the inclusion of potentially issuable shares would be antidilutive.

Prior to the IPO, the GHH, LLC membership structure included Preferred Units, Senior Preferred Earnout Units, Class A common units, Class B common units and Profit Units. The Company analyzed the calculation of earnings per unit for periods prior to the IPO using the two-class method and determined that it resulted in values that would not be meaningful to the users of these Consolidated Financial Statements. Therefore, earnings per share information has not been presented for periods prior to the IPO on July 17, 2020. The basic and diluted earnings per share for the twelve months ended December 31, 2020 represent only the period from July 17, 2020 to December 31, 2020.

A reconciliation of the numerator and denominator used in the calculation of basic and diluted net loss per share of Class A common stock is as follows:

(in thousands, except per share amounts)	Twelve months ended Dec. 31,		
	2022	2021	2020
<b>Numerator:</b>			
Net loss	\$ (376,384)	\$ (534,194)	\$ (97,200)
Less: Net loss attributable to GoHealth, Inc. prior to the IPO	—	—	(25,465)
Less: Net loss attributable to non-controlling interests subsequent to the IPO	(227,678)	(344,837)	(52,933)
Net loss attributable to GoHealth, Inc.	(148,706)	(189,357)	(18,802)
Less: Dividends accrued on redeemable convertible preferred stock	943	—	—
Net loss attributable to common stockholders	(149,649)	(189,357)	(18,802)
<b>Denominator:</b>			
Weighted-average shares of Class A common stock outstanding—basic	8,445	7,066	5,612
Effect of dilutive securities	—	—	—
Weighted-average shares of Class A common stock outstanding—diluted	8,445	7,066	5,612
<b>Net loss per share of Class A common stock—basic and diluted</b>	<b>\$ (17.72)</b>	<b>\$ (26.80)</b>	<b>\$ (3.35)</b>

The following number of shares were excluded from the calculation of diluted loss per share because the effect of including such potentially dilutive shares would have been antidilutive:

(in thousands)	Twelve months ended Dec. 31,		
	2022	2021	2020
Class A common stock issuable pursuant to equity awards	1,534	489	177
Class A common stock issuable pursuant to conversion of redeemable convertible preferred stock	3,855	—	—
Class B common stock	13,054	13,690	15,799

Shares of Class B common stock do not share in earnings and are not participating securities. Accordingly, separate presentation of loss per share of Class B common stock under the two-class method has not been presented. Shares of Series A redeemable convertible preferred stock are not participating securities as holders receive a contractual dividend. Accordingly, separate presentation of loss per share of Series A redeemable convertible preferred stock under the two-class method has not been presented.

For periods prior to the IPO, the reported income taxes represent those of GHH, LLC. As a result of the IPO, the Company became subject to U.S. federal and certain state and local income taxes with respect to its allocable share of any taxable income or loss generated by GHH, LLC. There was no pro forma impact on loss per share to reflect income tax expense at an effective tax rate as the Company determined it is not more likely than not that the tax benefits associated with the deferred tax assets arising from the IPO will be realized.

## 9. INCOME TAXES

The Company is taxed as a corporation for income tax purposes and is subject to federal, state, and local taxes on the income allocated to it from GHH, LLC based upon the Company's economic interest in GHH, LLC. The Company is the sole managing member of GHH, LLC and, as a result, consolidates the financial results of GHH, LLC. GHH, LLC is a limited liability company taxed as a partnership for income tax purposes, and the subsidiaries of GHH, LLC are limited liability companies for income tax purposes except for a subsidiary and its foreign subsidiary, which are taxed as a corporation and foreign disregarded entity, respectively. As such, GHH, LLC does not pay any federal income taxes, as income or loss is included in the tax returns of the individual members. Additionally, certain wholly-owned entities taxed as corporations are subject to federal, state, and foreign income taxes in the jurisdictions in which they operate, and accruals for such taxes are included in the Consolidated Financial Statements. For periods prior to the IPO, the Company's taxes represent those of GHH, LLC.

The components of income (loss) before income taxes are as follows:

(in thousands)	Twelve months ended Dec. 31,		
	2022	2021	2020
Domestic	\$ (376,121)	\$ (534,929)	\$ (98,297)
Foreign	501	711	1,140
<b>Income (loss) before income taxes</b>	<b>\$ (375,620)</b>	<b>\$ (534,218)</b>	<b>\$ (97,157)</b>

The components of income tax expense (benefit) are as follows:

(in thousands)	Twelve months ended Dec. 31,		
	2022	2021	2020
<b>Current income taxes:</b>			
Federal	\$ 6	\$ (87)	\$ (89)
State and local	100	65	231
Foreign	183	256	91
<b>Total current income taxes</b>	<b>289</b>	<b>234</b>	<b>233</b>
<b>Deferred income taxes:</b>			
Federal	348	(190)	(106)
State and local	124	(68)	(84)
Foreign	3	—	—
<b>Total deferred income taxes</b>	<b>475</b>	<b>(258)</b>	<b>(190)</b>
<b>Income tax expense (benefit)</b>	<b>\$ 764</b>	<b>\$ (24)</b>	<b>\$ 43</b>

A reconciliation of the U.S. statutory income tax rate to our effective income tax rate is as follows:

	Twelve months ended Dec. 31,		
	2022	2021	2020
U.S. statutory tax rate	21.0 %	21.0 %	21.0 %
State taxes, net of the federal benefit	1.8 %	1.6 %	0.4 %
Loss attributable to non-controlling interests	(12.7)%	(13.5)%	(11.4)%
Change in valuation allowance	(10.2)%	(10.6)%	(3.7)%
Change in deferred tax rate	0.0 %	1.4 %	0.0 %
Non-deductible expenses	(0.1)%	0.0 %	(5.5)%
Other	0.0 %	0.1 %	(0.8)%
<b>Effective tax rate</b>	<b>(0.2)%</b>	<b>0.0 %</b>	<b>0.0 %</b>

The Company's effective tax rate for the twelve months ended December 31, 2022, 2021, and 2020, were (0.2)%, 0.0%, and 0.0%, respectively. For the twelve months ended December 31, 2022, the effective tax rate was impacted by the loss attributable to non-controlling interest and change in valuation allowance. For the twelve months ended December 31, 2021, the effective tax rate was impacted by change in deferred income tax rates, loss attributable to non-controlling interest, and change in valuation allowance. For the twelve months ended December 31, 2020, the effective tax rate was impacted by nondeductible expenses, loss attributable to non-controlling interest, and change in valuation.

## Deferred Taxes

The components of deferred tax assets and liabilities are as follows:

(in thousands)	Dec. 31,	
	2022	2021
<b>Deferred tax assets:</b>		
Basis in partnership investment	\$ 201,585	\$ 162,277
Net operating losses	77,148	59,001
Disallowed business interest	7,887	4,776
Foreign tax credits	548	471
Accrued liabilities	997	468
Lease liabilities	251	24
Fixed assets	—	5
Other	648	111
<b>Total gross deferred tax assets</b>	<b>289,064</b>	<b>227,133</b>
Valuation allowance	(288,813)	(226,636)
<b>Total deferred tax assets, net of valuation allowance</b>	<b>251</b>	<b>497</b>
<b>Deferred tax liabilities:</b>		
Lease assets	(248)	(24)
<b>Total gross deferred tax liabilities</b>	<b>(248)</b>	<b>(24)</b>
<b>Net deferred tax assets</b>	<b>\$ 3</b>	<b>\$ 473</b>



As a result of the Transactions and the IPO, the Company acquired LLC Interests and has recognized a deferred tax asset for the difference between the financial reporting and tax basis of its investment in GHH, LLC. In addition, the Company increased its ownership in GHH, LLC during the years ended December 31, 2022 and 2021, primarily through the redemption of LLC Interests. The Company recognized a deferred tax asset in the amount of \$24.0 million for the year ended December 31, 2022 associated with the basis difference in our investment in GHH, LLC upon acquiring these LLC Interests. As of December 31, 2022, the total deferred tax asset related to the basis difference in the Company's investment in GHH, LLC was \$201.6 million.

The Company records valuation allowances against its deferred tax assets when it is more likely than not that all or a portion of a deferred tax asset will not be realized. The Company routinely evaluates the realizability of its deferred tax assets by assessing the likelihood that its deferred tax assets will be recovered based on all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, estimates of future taxable income, tax planning strategies and results of operations. In projecting future taxable income, the Company considers its historical results and incorporates certain assumptions, including revenue growth and operating margins, among others. Based on the lack of sufficient sources of taxable income, the Company has concluded that materially all of its deferred tax assets will not be realized and has recorded a valuation allowance against all deferred tax assets as of December 31, 2022.

As of December 31, 2022, the Company had gross U.S. federal net operating loss carryforwards and state tax net operating loss carryforwards of \$302.8 million and \$287.6 million, respectively. As of December 31, 2021, the Company had gross U.S. federal net operating loss carryforwards and state tax net operating loss carryforwards of \$230.9 million and \$230.5 million, respectively. The U.S. federal net operating losses can be carried forward indefinitely as they were generated after 2017. Certain state tax net operating loss carryforwards will begin to expire in 2025. As of December 31, 2022 and 2021, the Company had U.S. federal credits and incentives of \$1.0 million and \$0.6 million, respectively.

### **Uncertain Tax Positions**

There were no reserves for uncertain tax positions as of December 31, 2022 and 2021. GoHealth, Inc. was formed in March of 2020 and did not engage in any operations prior to the Transactions and the IPO. GoHealth, Inc. filed its first tax returns for the tax year 2020 in 2021, which is the first tax year subject to examination by taxing authorities for U.S. federal and state income tax purposes. Additionally, although GHH, LLC is treated as a partnership for U.S. federal and state income tax purposes, it is still required to file an annual U.S. Return of Partnership Income, which is subject to examination by taxing authorities for U.S. federal and state income tax purposes. The statute of limitations has expired for tax years through 2018 for GHH, LLC and Creatix, Inc.

### **Inflation Reduction Act**

On August 16, 2022, U.S. President Joe Biden signed the Inflation Reduction Act, aimed to curb the impacts of inflation. The Inflation Reduction Act contains federal income tax provisions which, among other things; (i) enact a new 15% corporate minimum tax that would apply based on annual income posted in a corporation's financial statement, rather than the corporation's taxable income, effective on January 1, 2023; and (ii) apply a 1% tax on the value of stock buybacks corporations choose to execute, effective January 1, 2023. The Inflation Reduction Act provisions currently do not have a material impact on the Company's financial statements.

### **Tax Receivable Agreement**

Pursuant to the Company's election under Section 754 of the Internal Revenue Code (the "Code"), the Company expects to obtain an increase in its share of the tax basis in the net assets of GHH, LLC when LLC Interests are redeemed or exchanged by the Continuing Equity Owners. The Company intends to make an election under Section 754 of the Code for each taxable year in which a redemption or exchange of LLC Interest occurs. The Company intends to treat any redemptions and exchanges of LLC Interests by the Continuing Equity Owners as direct purchases of LLC Interests for U.S. federal income tax purposes. These increases in tax basis may reduce the amounts that the Company would otherwise pay in the future to various tax authorities. They may also decrease gains (or increase losses) on future dispositions of certain capital assets to the extent tax basis is allocated to those capital assets.

In connection with the IPO, the Company entered into the Tax Receivable Agreement with GHH, LLC, the Continuing Equity Owners and the Blocker Shareholders that will provide for the payment by the Company to the Continuing Equity Owners and the Blocker Shareholders of 85% of the amount of tax benefits, if any, that the Company actually realizes (or in some circumstances is deemed to realize) as a result of (1) the Company's allocable share of existing tax basis acquired in connection with the Transactions (including the Blocker Company's share of existing tax basis) and increases to such allocable share of existing tax basis; (2) increases in tax basis resulting from (a) the Company's purchase of LLC Interests directly from GHH, LLC and the partial redemption of LLC Interests by GHH, LLC, (b) future redemptions or exchanges (or deemed exchanges in certain circumstances) of LLC Interests for Class A common stock or cash, and (c) certain distributions (or deemed distributions) by GHH, LLC; and (3) certain additional tax benefits arising from payments made under the Tax Receivable Agreement. The Company may benefit from the remaining 15% of any tax benefits that the Company actually realizes.

The amounts payable under the Tax Receivable Agreement will vary depending upon a number of factors, including the amount, character and timing of the taxable income of the Company in the future. As of December 31, 2022, the Company has determined that a \$0.6 million liability related to the Tax Receivable Agreement arose from the Transactions. As of December 31, 2021, the Company determined there was no resulting liability related to the Tax Receivable Agreement arising from the Transactions. Should the Company determine that any additional Tax Receivable Agreement liability is considered probable at a future date based on new information, any changes will be recorded within earnings at that time.

## 10. REVENUE

### Revenue Recognition for Variable Consideration

The Company's variable consideration includes the total estimated lifetime value ("LTV") it expects to receive for selling an insurance product after the health plan partner approves an application. The consideration is variable based on the amount of time it estimates a policy will remain in force, which is based on historical experience or health plan partner experience to the extent available, industry data, and expectations as to future retention rates. Additionally, the Company considers the application of a constraint and only recognizes the amount of variable consideration that it believes is probable that it will be entitled to receive and will not be subject to a significant revenue reversal in the future. Due to lower persistency observed during the twelve months ended 2022 and 2021 and declining LTV estimates, the Company applied an incremental LTV constraint to all Medicare policies sold in fiscal year 2022 and the fourth quarter of 2021.

On a quarterly basis, the Company re-estimates LTV at a vintage level for outstanding vintages, reviews and monitors changes in the data used to estimate LTV, as well as the cash received for each vintage as compared to the original estimates. The difference between cash received for each vintage and the respective estimated LTV can be significant and may or may not be indicative of the need to adjust revenue for prior period vintages. Changes in LTV may result in an increase or a decrease to revenue and a corresponding change to commissions receivable. The Company analyzes these differences and to the extent the Company believes differences in the estimates are indicative of a change to prior period LTVs, the Company will adjust revenue for the affected vintages at the time such determination is made and when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Based on market and retention trends observed during the Medicare annual enrollment period in the fourth quarter, the Company recorded negative revenue adjustments of \$275.7 million, \$165.3 million and \$2.0 million for the twelve months ended December 31, 2022, 2021 and 2020, respectively, as changes in estimates relating to performance obligations satisfied in prior periods.

### Disaggregation of Revenue

The table below depicts the disaggregation of revenue by product, and is consistent with how the Company evaluates its financial performance:

(in thousands)	Twelve months ended Dec. 31,		
	2022	2021	2020
<b>Commission revenue:</b>			
<i>Medicare:</i>			
Medicare Advantage	\$ 332,385	\$ 858,623	\$ 630,260
Medicare Supplement	758	3,217	7,023
Prescription Drug Plans	3,861	7,813	3,579
<b>Total Medicare</b>	<b>337,004</b>	<b>869,653</b>	<b>640,862</b>
<i>Individual and Family Plan:</i>			
Fixed Indemnity	666	4,867	15,966
Short-term	391	1,140	5,710
Major Medical	72	1,979	3,089
<b>Total Individual and Family Plan</b>	<b>1,129</b>	<b>7,986</b>	<b>24,765</b>
Ancillary	3,121	3,491	4,728
Small Group	213	133	785
<b>Total commission revenue</b>	<b>341,467</b>	<b>881,263</b>	<b>671,140</b>
<i>Enterprise revenue:</i>			
Partner Marketing and Enrollment Services	133,135	131,344	164,754
Encompass Revenue	107,336	2,173	652
Direct Partner Campaigns	44,766	45,169	31,245
Other	4,971	2,466	9,559
<b>Total enterprise revenue</b>	<b>290,208</b>	<b>181,152</b>	<b>206,210</b>
<b>Net revenues</b>	<b>\$ 631,675</b>	<b>\$ 1,062,415</b>	<b>\$ 877,350</b>

### Contract Assets and Liabilities

The company records contract assets and contract liabilities from contracts with customers as it relates to commissions receivable, commissions payable and deferred revenue. Commissions receivable represents estimated variable consideration for commissions to be received from health plan partners for performance obligations that have been satisfied. Commissions payable represents estimated commissions to be paid to the Company's external agents and other partners. Deferred revenue includes amounts collected for partner marketing and enrollment services, Encompass revenue, and technology licensing and implementation fees in advance of the Company satisfying its performance obligations for such customers.

The Company had unbilled receivables for performance-based enrollment fees and Encompass revenue as of December 31, 2022 and 2021 of \$39.6 million and \$20.1 million, respectively, which are recorded in prepaid expenses and other current assets on the Consolidated Balance Sheets. There are no other contract assets or contract liabilities recorded by the Company.

For the twelve months ended December 31, 2022, the Company recognized \$0.1 million of revenue that was deferred as of December 31, 2021. For the twelve months ended December 31, 2021, the Company recognized \$0.2 million of revenue that was deferred as of December 31, 2020.

## 11. LEASES

The Company has entered into operating agreements with lease periods expiring between 2023 and 2032. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term.

Components of lease expense are as follows, all recorded within operating expenses in the Consolidated Statements of Operations:

(in thousands)	Twelve months ended Dec. 31,	
	2022	2021
Finance lease cost (1)	\$ 102	\$ 340
Operating lease cost	8,286	7,815
Short-term lease cost (2)	420	474
Variable lease cost (3)	689	134
Sublease income	(1,243)	(366)
<b>Total net lease expense</b>	<b>\$ 8,254</b>	<b>\$ 8,397</b>

(1) Primarily consists of amortization of finance lease right-of-use assets and an immaterial amount of interest on finance lease liabilities recorded in operating expenses and interest expense in the Consolidated Statements of Operations.

(2) Includes costs related to leases, which at the commencement date, have a lease term of 12 months or less.

(3) Includes costs incurred by the Company for the right to use an underlying asset that vary because of changes in facts or circumstances occurring after the commencement date, other than the passage of time.

The Company recognized rent expense of \$6.7 million for the twelve months ended December 31, 2020.

As part of the Company's continued cost savings initiatives, the Company is actively looking to terminate or sublease certain office spaces and call centers. These actions resulted in a \$25.3 million operating lease impairment charge during the second and third quarters of 2022. The Company recorded a \$1.1 million operating lease impairment charge during the third quarter of 2021. Refer to Note 3. "Fair Value Measurements" for further details.

As of December 31, 2022, future minimum lease payments for operating leases consisted of the following:

(in thousands)	Operating Leases
2023	12,500
2024	8,042
2025	6,719
2026	5,544
2027	5,699
Thereafter	26,317
<b>Total lease payments</b>	<b>\$ 64,821</b>
Less: Imputed interest	(17,480)
<b>Present value of lease liabilities</b>	<b>\$ 47,341</b>

Supplemental cash flow information related to leases are as follows:

(in thousands)	Dec. 31,	
	2022	2021
<i>Cash paid for amounts included in the measurement of lease liabilities:</i>		
Operating cash flows from operating leases	\$ 10,380	\$ 6,652
Operating lease assets obtained in exchange for new lease obligations (1)	\$ 26,405	\$ 1,831
Reduction in operating lease ROU assets and lease liabilities due to reassessment of lease terms	\$ 4,155	\$ —

(1) On May 12, 2020, the Company entered into a lease agreement with Wilson Tech 5, LLC, for a proposed site in Lindon, Utah, which commenced on June 8, 2022.

The weighted average remaining operating lease term and discount rate are as follows:

	Dec. 31,	
	2022	2021
Weighted average remaining lease term (in years)	7.5 years	4.2 years
Weighted average discount rate	8.1 %	6.2 %

## 12. COMMITMENTS AND CONTINGENCIES

### Legal Proceedings

In September 2020, three purported securities class action complaints were filed in the United States District Court for the Northern District of Illinois against the Company, certain of its officers and directors, and certain underwriters, private equity firms, and investment vehicles alleging that the Registration Statement filed in connection with the IPO was negligently prepared and, as a result, contained untrue statements of material fact, omitted material facts necessary to make the statements contained therein not misleading, and failed to make necessary disclosures required under the rules and regulations governing its preparation, including the Securities Act of 1933 (the "Securities Class Action"). Compensatory damages and reasonable costs and expenses incurred in the Securities Class Action were sought by the plaintiffs. On December 10, 2020, the court in the earliest filed action consolidated the three complaints, appointed lead plaintiffs and lead counsel for the consolidated action, and captioned the consolidated action "In re GoHealth, Inc. Securities Litigation." On February 25, 2021, lead plaintiffs filed a consolidated complaint. On April 26, 2021, the Company and officer and director defendants filed a motion to dismiss the complaint. On April 5, 2022, that motion was denied. On May 31, 2022, the Company and officer and director defendants filed an answer to the consolidated complaint and, on June 21, 2022, they filed an amended answer. On September 23, 2022, lead plaintiffs filed a motion for class certification, which remains pending. The court has not yet set a trial date.

On May 19, 2021, a derivative action (the "Derivative Action") was filed in the United States District Court for the Northern District of Illinois, purportedly on behalf of the Company and against certain of the Company's officers and directors, alleging breaches of fiduciary duty and other claims, based on substantially the same factual allegations as in the Securities Class Action. On June 6, 2022, the Derivative Action was stayed pursuant to the parties' stipulation.

The Company disputes each claim in the above referenced matters and intends to defend the pending actions noted above. The ultimate outcome of any damages that may become payable if its defense is unsuccessful in whole or in part is not probable nor estimable at this time. While the Company feels confident in its defense of these pending matters, there can be no assurance that it will prevail and that any damages that may be awarded will not be material to the results of operations or financial condition of the Company.

## 13. RELATED PARTY TRANSACTIONS

The Company is party to various lease agreements with 214 W Huron LLC, 220 W Huron Street Holdings LLC, 215 W Superior LLC, and Wilson Tech 5, LLC, each of which are controlled by significant shareholders of the Company, to lease its corporate offices in Chicago, Illinois and Lindon, Utah. The Company pays rent, operating expenses, maintenance, and utilities under the terms of the leases. For the twelve months ended December 31, 2022, 2021 and 2020, the Company made aggregate lease payments of \$3.9 million, \$1.3 million, and \$1.4 million, respectively, under these leases.

On January 1, 2020, the Company entered into a non-exclusive aircraft dry lease agreement with an entity wholly-owned and controlled by certain significant shareholders of the Company. The agreement allows the Company to use an aircraft owned by this entity for business and on an as-needed basis. The agreement has no set term and is terminable without cause by either party upon 30 days' prior written notice. Under the agreement, the Company is required to pay \$6,036.94 per flight hour for use of the aircraft. For the twelve months ended December 31, 2022, 2021 and 2020, the Company recorded expense of \$0.6 million, \$1.2 million and \$1.4 million, respectively, under this lease.

During the twelve months ended December 31, 2020, the Company provided a short-term advancement to NVX Holdings, Inc., which is controlled by significant shareholders, for which the Company recorded a receivable of \$3.4 million. The advancement was collected by the Company during the twelve months ended December 31, 2021.

During 2020, the Company made a one-time tax distribution totaling \$0.4 million to several current and former employees, including certain executive officers, related to taxable income allocated to such persons for 2019 relating to the Centerbridge transaction.

#### 14. OPERATING SEGMENTS AND SIGNIFICANT CUSTOMERS

##### Operating Segments

The Company reports segment information based on how the Company's chief operating decision maker ("CODM") regularly reviews operating results, allocates resources and makes decisions regarding business operations. The performance measures of the segments include total revenue and profit (loss). For segment reporting purposes in accordance with ASC 280-10, *Segment Reporting*, the Company's business structure is comprised of four operating and reportable segments:

**Medicare Internal and External:** The Medicare internal and external segments consist primarily of revenues earned from sales of Medicare Advantage, Medicare Supplement, Prescription Drug Plans, and Medicare Special Needs Plans (or "SNPs"), for multiple health plan partners.

**Individual and Family Plan and Other ("IFP and Other") Internal and External:** The IFP and Other internal and external segments consist primarily of revenues earned from sales of individual and family plans, dental plans, vision plans and other ancillary plans to individuals that are not Medicare-eligible.

The Internal and External segments relative to both Medicare and IFP are defined as follows:

**Internal:** The two internal segments primarily consist of sales of products and plans by Company-employed agents offering qualified prospects plans from multiple health plan partners, Company-employed agents offering qualified prospects plans on a health plan partner-specific basis, or sales of products and plans through our online platform without the assistance of our agents (do-it-yourself or "DIY"). The Company earns revenue in this channel through commissions paid by health plan partners based on sales the Company generates, as well as enrollment fees, hourly fees and other fees for services performed for specific health plan partners and other partners.

**External:** The two external segments represent sales of products and plans under the Company's health plan partner contracts using an independent, national network of agents who are not employed by Company. These agents utilize the Company's technology and platform to enroll consumers in health insurance plans and provide a means to earn a return on leads that otherwise may have not been addressed. The Company also sells insurance prospects (or "leads") to agencies within this channel. The Company earns revenue in this channel through commissions paid by health plan partners as a result of policy sales, as well as sales of leads to external agencies.

The following table presents summary results of the Company's operating segments for the periods indicated:

(in thousands)	Twelve months ended Dec. 31,		
	2022	2021	2020
<b>Revenues:</b>			
<i>Medicare:</i>			
Internal channel	\$ 421,273	\$ 844,894	\$ 667,293
External channel	189,886	189,563	155,660
<b>Total Medicare</b>	<b>611,159</b>	<b>1,034,457</b>	<b>822,953</b>
<i>IFP and Other:</i>			
Internal channel	17,972	19,687	32,271
External channel	2,544	8,271	22,126
<b>Total IFP and Other</b>	<b>20,516</b>	<b>27,958</b>	<b>54,397</b>
<b>Net revenues</b>	<b>631,675</b>	<b>1,062,415</b>	<b>877,350</b>
<b>Segment profit (loss):</b>			
<i>Medicare:</i>			
Internal channel	(43,382)	84,345	296,865
External channel	(31,260)	2,622	5,944
<b>Total Medicare</b>	<b>(74,642)</b>	<b>86,967</b>	<b>302,809</b>
<i>IFP and Other:</i>			
Internal channel	4,654	2,819	4,269
External channel	(1,502)	245	1,910
<b>Total IFP and Other</b>	<b>3,152</b>	<b>3,064</b>	<b>6,179</b>
<b>Segment profit (loss)</b>	<b>(71,490)</b>	<b>90,031</b>	<b>308,988</b>
Corporate expense	115,590	97,807	259,778
Amortization of intangible assets	94,057	94,056	94,056
Operating lease impairment charges	25,345	1,062	—
Restructuring and other related charges	12,184	—	—
Change in fair value of contingent consideration liability	—	—	19,700
Loss on extinguishment of debt	—	11,935	—
Goodwill impairment charges	—	386,553	—
Interest expense	57,069	33,505	32,969
Other (income) expense, net	(115)	(669)	(358)
<b>Income (loss) before income taxes</b>	<b>\$ (375,620)</b>	<b>\$ (534,218)</b>	<b>\$ (97,157)</b>

There are no internal revenue transactions between the Company's operating segments. Substantially all revenue for the periods presented was generated from customers located in the United States. The Company's CODM does not separately evaluate assets by segment, and therefore assets by segment are not presented. The Company's assets are primarily located in the United States.

### Significant Customers

The following table presents health plan partners representing 10% or more of the Company's total revenue for the periods indicated:

	Twelve months ended Dec. 31,		
	2022	2021	2020
Humana	26 %	28 %	40 %
Elevance	23 %	22 %	29 %
United	18 %	16 %	13 %
Centene	11 %	17 %	9 %

### 15. RESTRUCTURING COSTS

During the second and third quarters of fiscal year 2022, the Company implemented restructuring initiatives as part of its strategic transformation to drive efficiency and optimize costs. On June 3, 2022, the Board approved the separation and replacement of key management roles, including Chief Operating Officer, Chief Financial Officer, Chief Strategy Officer, and President. On August 9, 2022, the Company eliminated 828 full-time positions, representing approximately 23.7% of the workforce, primarily within the customer care and enrollment group. The majority of the restructuring charges incurred relate to employee termination benefits and will be settled in cash through the second quarter of 2024. The restructuring activities related

to this plan were materially complete as of December 31, 2022. The Company evaluates restructuring charges in accordance with ASC 420 *Exit or Disposal Cost Obligations* and ASC 712 *Compensation—Nonretirement Post-Employment Benefits*.

The components of the restructuring and other related charges are as follows:

(in thousands)	<b>Twelve months ended Dec. 31, 2022</b>	
Employee termination benefits (1)	\$	11,076
Other associated costs (2)		1,108
<b>Total restructuring and other related charges</b>	<b>\$</b>	<b>12,184</b>

(1) *Employee termination benefits primarily consist of employee severance and benefits that will be settled in cash.*

(2) *Other associated costs primarily consist of the non-cash acceleration of agent licensing fees as well as legal expenses incurred in connection with the reduction-in-force.*

The following table provides the changes in the Company's restructuring and other related charges that will be settled in cash, included in accrued liabilities on the Consolidated Balance Sheets:

(in thousands)	<b>Restructuring charges</b>	
<b>Balance at January 1, 2022</b>	<b>\$</b>	<b>—</b>
Charges incurred		11,208
Cash paid		(9,125)
<b>Balance at December 31, 2022</b>	<b>\$</b>	<b>2,083</b>

## ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

## ITEM 9A. CONTROLS AND PROCEDURES

### *Evaluation of Disclosure Controls and Procedures*

Our management, with the participation of our chief executive officer and chief financial officer, evaluated, as of the end of the period covered by this Annual Report on Form 10-K, the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on that evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were not effective as of December 31, 2022, because of the material weakness in internal control over financial reporting described below. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

### *Management's Annual Report on Internal Control over Financial Reporting*

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act). Internal control over financial reporting is a process designed under the supervision of the Company's chief executive officer and chief financial officer, and effected by the Company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles (GAAP) and includes those policies and procedures that:

1. Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Due to its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2022, utilizing the framework in Internal Control-Integrated Framework (2013) established by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission. Our internal control over financial reporting includes policies and procedures that are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with U.S. GAAP.

Based on this evaluation and those criteria, our management concluded that our internal control over financial reporting was ineffective as of December 31, 2022, because we identified a material weakness related to the ineffective design and operation of process level controls that addressed the completeness and accuracy of key financial data utilized in the recognition of commission revenue, including estimating the total constrained lifetime value of commission revenue and the related cost of revenue and balance sheet accounts, and the Company did not retain sufficient contemporaneous documentation to demonstrate the operation of review controls over commission revenue at a sufficient level of precision. We reviewed the results of our management's assessment with our Audit Committee.

We continue to strengthen our internal control over financial reporting and are committed to ensuring that such controls are designed and operating effectively. We will be implementing process and control improvements to address the above material weakness that include, but are not limited to: i) establishing specific management review procedures to ensure completeness and accuracy of key financial data utilized in the recognition of commission revenue and the contemporaneous documentation of such reviews, ii) providing additional training related to validating the accuracy of data used in key review controls and the level of documentation required, and iii) investing in our corporate infrastructure to ensure adequate technology and resources to support our financial reporting process and internal control framework. During the second quarter of 2022, the Company hired a Chief Actuarial Officer who has been partnering with our data scientists, to bring additional experience and oversight of commissions revenue and its related processes and controls.

When fully implemented and operational, we believe the measures described above will remediate the control deficiencies that have led to the material weakness.



Notwithstanding the existence of the material weakness as described above, our management has concluded that the consolidated financial statements included in this Annual Report on Form 10-K fairly present, in all material respects, our financial position, results of operations and cash flows as of the dates, and for the periods presented, in conformity with U.S. GAAP.

***Changes in Internal Control over Financial Reporting***

Except for the material weakness identified above, there were no changes in our internal control over financial reporting identified in management's evaluation pursuant to Rules 13a-15(d) or 15d-15(d) of the Exchange Act during the quarter ended December 31, 2022 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**ITEM 9B. OTHER INFORMATION**

None.

**ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS**

Not applicable.

**ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE****Code of Ethics**

We have adopted a written Code of Business Conduct and Ethics (the “Code”) which applies to all of our directors, officers and other employees, including our principal executive officer and principal financial officer. A copy of the Code is available on our corporate website, [www.gohealth.com](http://www.gohealth.com), under “Investor Relations—Governance—Documents & Charters.” In addition, we intend to post on our website all disclosures that are required by law or The Nasdaq Stock Market LLC concerning any amendments to, or waivers from, any provision of our Code of Business Conduct and Ethics. The information contained on our website does not constitute a part of this Annual Report on Form 10-K.

**Executive Officers and Directors**

The information concerning our executive officers and directors required by this Item 10 is contained under the caption “Information About Our Executive Officers and Directors” at the end of Part I of this Annual Report on Form 10-K. The remaining information required by this Item 10 of Form 10-K is incorporated herein by reference from the information contained in the Definitive Proxy Statement for the 2023 Annual Meeting of Stockholders under the headings “Delinquent Section 16(a) Reports” (if applicable), “Proposal 1: Election of Directors” and “Committees of the Board,” which is expected to be filed within 120 days after our fiscal year ended December 31, 2022.

**ITEM 11. EXECUTIVE COMPENSATION**

The information required by Item 11 of Form 10-K is incorporated herein by reference from the information contained in the Definitive Proxy Statement for the 2023 Annual Meeting of Stockholders under the headings “Executive Compensation,” “Director Compensation” and “Compensation Committee Interlocks and Insider Participation” (if applicable), which is expected to be filed within 120 days after our fiscal year ended December 31, 2022.

**ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS**

The information required by Item 12 of Form 10-K is incorporated herein by reference from the information contained in the Definitive Proxy Statement for the 2023 Annual Meeting of Stockholders under the headings “Security Ownership of Certain Beneficial Owners and Management” and “Securities Authorized For Issuance under Equity Compensation Plans”, which is expected to be filed within 120 days after our fiscal year ended December 31, 2022.

**ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE**

The information required by Item 13 of Form 10-K is incorporated herein by reference from the information contained in the Definitive Proxy Statement for the 2023 Annual Meeting of Stockholders under the headings “Corporate Governance” and “Certain Relationships and Related Party Transactions,” which is expected to be filed within 120 days after our fiscal year ended December 31, 2022.

**ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES**

The information required by Item 14 of Form 10-K is incorporated herein by reference from the information contained in the Definitive Proxy Statement for the 2023 Annual Meeting of Stockholders under the heading “Independent Registered Public Accounting Firm Fees and Other Matters”, which is expected to be filed within 120 days after our fiscal year ended December 31, 2022.

## ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) We have filed the following documents as part of this Annual Report on Form 10-K:

**1. Consolidated Financial Statements**

Information in response to this Item is included in Item 8 of Part II of this Annual Report on Form 10-K.

**2. Financial Statement Schedules**

All financial statement schedules have been omitted because they are not applicable, not material or because the required information is included in Item 8 of Part II of this Annual Report on Form 10-K.

**3. Exhibits**

The following documents listed below are incorporated by reference or are filed with this Annual Report on Form 10-K, in each case as indicated therein (numbered in accordance with Item 601 of Regulation S-K).

**Exhibit Index**

Exhibit Number	Description	Incorporated by Reference				Filed/ Furnished Herewith
		Form	File No.	Exhibit	Filing Date	
3.1	<a href="#">Amended and Restated Certificate of Incorporation of GoHealth, Inc.</a>	10-Q	01-39390	3.1	8/20/2020	
3.2	<a href="#">Certificate of Designations of Series A Convertible Perpetual Preferred Stock of GoHealth, Inc.</a>	8-K	01-39390	3.1	9/26/2022	
3.3	<a href="#">Certificate of Designations of Series A-1 Convertible Non-Voting Perpetual Preferred Stock of GoHealth, Inc.</a>	8-K	01-39390	3.2	9/26/2022	
3.4	<a href="#">Certificate of Amendment to Amended and Restated Certificate of Incorporation of GoHealth, Inc.</a>	8-K	01-39390	3.1	11/18/2022	
3.5	<a href="#">Amended and Restated Bylaws of GoHealth, Inc.</a>	10-Q	01-39390	3.2	8/20/2020	
4.1	<a href="#">Specimen Stock Certificate evidencing the shares of Class A common stock.</a>	S-1	333-239287	4.1	6/19/2020	
4.2	<a href="#">Description of Registrant's Securities</a>	10-K	01-39390	4.2	3/16/2021	
10.1	<a href="#">Incremental Facility Agreement and Technical Amendment No. 2 to Credit Agreement, dated as of May 7, 2020, among Norvax, LLC, as borrower, Blizzard Midco, LLC, as a guarantor, the other guarantors party thereto, Owl Rock Capital Corporation, as administrative agent, collateral agent and swingline lender and the other lenders from time to time party thereto.</a>	S-1	333-239287	10.5	6/19/2020	
10.2	<a href="#">Incremental Facility Agreement and Technical Amendment No. 3 to Credit Agreement, dated as of June 11, 2020, among Norvax, LLC, as borrower, Blizzard Midco, LLC, as a guarantor, the other guarantors party thereto, Owl Rock Capital Corporation, as administrative agent, collateral agent and swingline lender and the other lenders from time to time party thereto.</a>	10-Q	01-39390	10.2	8/20/2020	
10.3	<a href="#">Amendment No. 4 to the Credit Agreement and Incremental Facility Agreement, dated as of May 7, 2021, among Norvax, LLC, as borrower, Blizzard Midco, LLC, as a guarantor, the other guarantors party thereto, Owl Rock Capital Corporation, as administrative agent, collateral agent and swingline lender and the other lenders from time to time party thereto.</a>	10-Q	01-39390	10.2	5/13/2021	

10.4	<a href="#">Amendment No. 5 to the Credit Agreement and Incremental Facility Agreement, dated as of June 11, 2021, among Norvax, LLC, as borrower, Blizzard Midco, LLC, as a guarantor, the other guarantors party thereto, Owl Rock Capital Corporation, as administrative agent, collateral agent and swingline lender and the other lenders from time to time party thereto.</a>	8-K	001-39390	10.1	6/14/2021
10.5	<a href="#">Amendment No. 6 to the Credit Agreement and Incremental Facility Agreement, dated as of November 10, 2021, among Norvax, LLC, as borrower, Blizzard Midco, LLC, as a guarantor, the other guarantors party thereto, Owl Rock Capital Corporation, as administrative agent, collateral agent and swingline lender and the other lenders from time to time party thereto.</a>	8-K	001-39390	10.1	11/10/2021
10.6	<a href="#">Amendment No. 7 to the Credit Agreement and Incremental Facility Agreement, dated as of March 14, 2022, among Norvax, LLC, as borrower, Blizzard Midco, LLC, as a guarantor, the other guarantors party thereto, Owl Rock Capital Corporation, as administrative agent, collateral agent and swingline lender and the other lenders from time to time party thereto.</a>	8-K	001-39390	10.1	3/16/2022
10.7	<a href="#">Amendment No. 8 to the Credit Agreement, dated as of August 12, 2022, among Norvax, LLC, as borrower, Blizzard Midco, LLC, as a guarantor, the other guarantors party thereto, Owl Rock Capital Corporation, as administrative agent, collateral agent and swingline lender and the other lenders from time to time party thereto.</a>	8-K	001-39390	10.1	8/15/2022
10.8	<a href="#">Amendment No. 9 to the Credit Agreement, dated as of November 9, 2022, among Norvax, LLC, as borrower, Blizzard Midco, LLC, as a guarantor, the other guarantors party thereto, Owl Rock Capital Corporation, as administrative agent, collateral agent and swingline lender and the other lenders from time to time party thereto.</a>	10-Q	001-39390	10.1	11/14/2022
10.9	<a href="#">Amendment No. 10 to the Credit Agreement, dated as of March 15, 2023, among Norvax, LLC, as borrower, Owl Rock Capital Corporation, as administrative agent, collateral agent and required lenders.</a>	8-K	001-39390	10.1	3/17/2023
10.10#	<a href="#">Form of Indemnification and Advancement Agreement between GoHealth, Inc. and its directors and officers.</a>	S-1	333-239287	10.9	6/19/2020
10.11#	<a href="#">GoHealth Holdings, LLC Profits Unit Plan.</a>	S-1/A	333-239287	10.9	7/6/2020
10.12#	<a href="#">Form of Executive Common Unit and Profits Unit Agreement.</a>	S-1/A	333-239287	10.10	7/6/2020
10.13#	<a href="#">Form of Amendment No. 1 to Executive Common Unit and Profits Unit Agreement.</a>	S-1/A	333-239287	10.11	7/8/2020
10.14#	<a href="#">GoHealth, Inc. 2020 Incentive Award Plan.</a>	S-1/A	333-239287	10.6	7/8/2020
10.15#	<a href="#">GoHealth, Inc. 2020 Employee Stock Purchase Plan.</a>	S-1/A	333-239287	10.7	7/8/2020
10.16#	<a href="#">GoHealth, Inc. 2021 Inducement Award Plan</a>	S-8	333-239287	99.1	12/20/2021
10.17#	<a href="#">Inducement Award Plan Form of Stock Option Award Grant Notice and Stock Option Agreement.</a>	S-8	333-239287	99.2	12/20/2021
10.18#	<a href="#">Inducement Award Plan Form of Restricted Stock Unit Award Grant Notice and Restricted Stock Unit Agreement.</a>	S-8	333-239287	99.3	12/20/2021
10.19#	<a href="#">First Amendment to the GoHealth, Inc. 2021 Inducement Award Plan</a>	S-8	333-239287	99.6	6/6/2022
10.20#	<a href="#">Incentive Award Plan Form of Stock Appreciation Rights Grant Notice and Stock Appreciation Rights Agreement</a>	S-8	333-239287	99.4	6/6/2022
10.21#	<a href="#">Inducement Award Plan Form of Stock Option Award Grant Notice and Stock Option Agreement</a>	S-8	333-239287	99.7	6/6/2022
10.22#	<a href="#">Inducement Award Plan Form of Restricted Stock Unit Award Grant Notice and Restricted Stock Unit Agreement</a>	S-8	333-239287	99.8	6/6/2022
10.23#	<a href="#">Employment Agreement, dated July 7, 2020, by and among GoHealth, Inc., GoHealth Holdings, LLC, and Clinton P. Jones.</a>	S-1/A	333-239287	10.13	7/8/2020
10.24#	<a href="#">Amended and Restated Employment Agreement, dated June 3, 2022, by and among GoHealth, Inc., GoHealth Holdings, LLC, and Clinton Jones</a>	10-Q	001-39390	10.3	8/16/2022
10.25#	<a href="#">Amended and Restated Employment Agreement, dated July 7, 2020, by and among GoHealth, Inc., GoHealth Holdings, LLC, and Brandon Cruz.</a>	10-Q	001-39390	10.2	5/10/2022
10.26#	<a href="#">Separation Agreement, dated June 3, 2022, by and among GoHealth Inc., GoHealth Holdings, LLC, and Brandon Cruz</a>	10-Q	001-39390	10.4	8/16/2022

10.27#	<a href="#">Employment Agreement, dated July 7, 2020, by and among GoHealth, Inc., GoHealth Holdings, LLC, and James A. Sharman.</a>	S-1/A	333-239287	10.15	7/8/2020	
10.28#	<a href="#">Separation and General Release Agreement, dated June 6, 2022, by and between James Sharman and Norvax, LLC</a>	10-Q	001-39390	10.5	8/16/2022	
10.29#	<a href="#">Employment Agreement, dated July 6, 2020, by and among GoHealth, Inc., GoHealth Holdings, LLC, and Travis Matthesen; Amended Employment Agreement and Executive Common Unit and Profit Unit Agreement, dated October 18, 2021, by and among GoHealth, Inc., GoHealth Holdings, LLC, and Travis Matthesen; and Second Employment Agreement Amendment, dated February 25, 2022, by and among GoHealth, Inc., GoHealth Holdings, LLC, and Travis Matthesen.</a>	10-K	001-39390	10.17	3/16/2022	
10.30#	<a href="#">Employment Agreement, dated December 2, 2021, by and among GoHealth, Inc., GoHealth Holdings, LLC, and Vance Johnston.</a>	10-K	001-39390	10.18	3/16/2022	
10.31#	<a href="#">Employment Agreement, dated June 3, 2020, by and among GoHealth, Inc., GoHealth Holdings, LLC, and Brian Farley.</a>	10-Q	001-39390	10.3	5/10/2022	
10.32#	<a href="#">Employment Agreement, dated June 3, 2022, by and among GoHealth, Inc., GoHealth Holdings, LLC, and Vijay Kotte</a>	10-Q	001-39390	10.1	8/16/2022	
10.33#	<a href="#">Employment Agreement, dated June 3, 2022, by and among GoHealth, Inc., GoHealth Holdings, LLC, and Jason Schulz</a>	10-Q	001-39390	10.2	8/16/2022	
10.34#	<a href="#">GoHealth, Inc. Non-Employee Director Compensation Policy.</a>	S-1/A	333-239287	10.16	7/8/2020	
10.35#	<a href="#">Form Director Profits Unit Agreement.</a>	S-1/A	333-239287	10.17	7/8/2020	
10.36#	<a href="#">Form Amendment No. 1 to Director Profits Unit Agreement.</a>	S-1/A	333-239287	10.18	7/8/2020	
10.37#	<a href="#">Form of Stock Option Award Grant Notice and Stock Option Agreement.</a>	S-1/A	333-239287	10.19	7/8/2020	
10.38#	<a href="#">Form of Restricted Stock Unit Award Grant Notice and Restricted Stock Unit Agreement.</a>	S-1/A	333-239287	10.20	7/8/2020	
10.39	<a href="#">Tax Receivable Agreement, dated July 15, 2020, by and among the GoHealth, Inc., GoHealth, LLC, CB Blizzard Co-Invest Holdings, L.P., CCP III AIV VII Holdings, L.P. and each of the Members from time to time party thereto.</a>	8-K	001-39390	10.1	7/17/2020	
10.40	<a href="#">Registration Rights Agreement, dated July 15, 2020, by and among GoHealth, Inc. and each other person identified on the schedule of investors attached thereto.</a>	8-K	001-39390	10.2	7/17/2020	
10.41	<a href="#">Second Amended and Restated Limited Liability Company Agreement of GoHealth, LLC, dated July 15, 2020, by and among GoHealth, LLC and its Members.</a>	8-K	001-39390	10.3	7/17/2020	
10.42	<a href="#">Amendment No. 2 to the Second Amended and Restated Limited Liability Company Agreement of GoHealth Holdings, LLC, dated as of September 23, 2022</a>	8-K	001-39390	10.3	9/26/2022	
10.43	<a href="#">Stockholders Agreement, dated July 15, 2020, by and among GoHealth, Inc. and the persons and entities listed on the schedules attached thereto.</a>	8-K	001-39390	10.4	7/17/2020	
10.44	<a href="#">Investment Agreement dated as of September 23, 2022 among GoHealth, Inc. and the purchasers identified therein.</a>	8-K	001-39390	10.1	9/26/2022	
10.45	<a href="#">Registration Rights Agreement dated as of September 23, 2022 among GoHealth, Inc. and the persons identified therein.</a>	8-K	001-39390	10.2	9/26/2022	
21.1	<a href="#">Subsidiaries of the Registrant</a>					*
23.1	<a href="#">Consent of Independent Registered Public Accounting Firm</a>					*
31.1	<a href="#">Certification of Chief Executive Officer pursuant to Exchange Act Rule 13a-14(a).</a>					*
31.2	<a href="#">Certification of Chief Financial Officer pursuant to Exchange Act Rule 13a-14(a).</a>					*
32.1	<a href="#">Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350.</a>					**
32.2	<a href="#">Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350.</a>					**
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its 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 (formatted as Inline XBRL and contained in Exhibit 101)	*

\* Filed herewith.

\*\* Furnished herewith.

# Indicates management contract or compensatory plan.

**ITEM 16. FORM 10-K SUMMARY**

None.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

### GoHealth, Inc. (Registrant)

Date: March 23, 2023

By: /s/ Vijay Kotte

Vijay Kotte  
Chief Executive Officer  
(Principal Executive Officer)

Date: March 23, 2023

By: /s/ Jason Schulz

Jason Schulz  
Chief Financial Officer  
(Principal Financial and Accounting Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities indicated on March 23, 2023.

/s/ Vijay Kotte

Vijay Kotte  
Chief Executive Officer  
(Principal Executive Officer)

/s/ Jason Schulz

Jason Schulz  
Chief Financial Officer  
(Principal Financial and Accounting Officer)

/s/ Clinton P. Jones

Clinton P. Jones  
Co-Chair of the Board of Directors

/s/ Brandon M. Cruz

Brandon M. Cruz  
Co-Chair of the Board of Directors

/s/ David Fisher

David Fisher  
Director

/s/ Joseph G. Flanagan

Joseph G. Flanagan  
Director

/s/ Jeremy W. Gelber

Jeremy W. Gelber  
Director

/s/ Alexander E. Timm

Alexander E. Timm  
Director

/s/ Christopher Litchford

Christopher Litchford  
Director

/s/ Karolina Hilu

Karolina Hilu  
Director

Subsidiaries of GoHealth, Inc.

Legal Name	Jurisdiction of Incorporation or Organization
GoHealth Holdings, LLC	Delaware, USA
Blizzard Midco, LLC	Delaware, USA
Norvax, LLC	Delaware, USA
GoHealth, LLC	Delaware, USA
Creatix, Inc.	Illinois, USA
Connected Benefits, LLC	Delaware, USA
GoHealth, s.r.o.	Slovakia



**Consent of Independent Registered Public Accounting Firm**

We consent to the incorporation by reference in the following Registration Statements:

- (1) Registration Statements (Form S-8 Nos. 333-239879, 333-252962, 333-263787, and 333-269223) pertaining to the 2020 Incentive Award Plan, as amended, and the 2020 Employee Stock Purchase Plan of GoHealth, Inc.;
- (2) Registration Statement (Form S-8 No. 333-261770) pertaining to the 2021 Inducement Award Plan of GoHealth, Inc.; and
- (3) Registration Statement (Form S-8 No. 333-265442) pertaining to the 2020 Incentive Award Plan and the 2021 Inducement Award Plan of GoHealth, Inc.;

Of our report dated March 23, 2023, with respect to the consolidated financial statements of GoHealth, Inc. included in this Annual Report (Form 10-K) of GoHealth, Inc. for the year ended December 31, 2022.

/s/ Ernst & Young LLP

Chicago, Illinois  
March 23, 2023

## Certification

I, Vijay Kotte, certify that:

1. I have reviewed this Annual Report on Form 10-K of GoHealth, Inc.;
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(s) 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: March 23, 2023

By: /s/ Vijay Kotte

Vijay Kotte  
Chief Executive Officer  
(Principal Executive Officer)

## Certification

I, Jason Schulz, certify that:

1. I have reviewed this Annual Report on Form 10-K of GoHealth, Inc.;
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(s) 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: March 23, 2023

By: /s/ Jason Schulz

Jason Schulz  
Chief Financial Officer  
(Principal Financial and Accounting Officer)

**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 Annual Report on Form 10-K of GoHealth, Inc. (the "Company") for the period ended December 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I 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: March 23, 2023

By: /s/ Vijay Kotte

Vijay Kotte  
Chief Executive Officer  
(Principal Executive Officer)

**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 Annual Report on Form 10-K of GoHealth, Inc. (the "Company") for the period ended December 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I 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: March 23, 2023

By: /s/ Jason Schulz

Jason Schulz  
Chief Financial Officer  
*(Principal Financial and Accounting Officer)*