

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): September 10, 2020

APOLLO MEDICAL HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-37392
(Commission File
Number)

95-4472349
(I.R.S. Employer
Identification Number)

1668 S. Garfield Avenue, 2nd Floor, Alhambra, CA 91801
(Address of principal executive offices) (zip code)

(626) 282-0288
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Precommencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Precommencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	AMEH	Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

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.

Item 7.01 Regulation FD Disclosure.

Apollo Medical Holdings, Inc. (the “Company”) makes presentations from time to time at conferences and to analysts, current stockholders, potential investors and others, and has prepared presentation materials that the Company intends to use in this regard. A copy of the presentation materials to be used is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

The information contained in this Item 7.01 and in Exhibit 99.1 furnished herewith shall not be deemed “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities under Section 18 of the Exchange Act, nor shall it be deemed incorporated by reference into any filings made by the Company under the Securities Act of 1933 or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing. The furnishing of this information will not be deemed an admission as to the materiality of any information contained herein.

Item 9.01 Financial Statements and Exhibits

(d)Exhibits.

Exhibit No.	Description
99.1	Investor Presentation

SIGNATURES

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

APOLLO MEDICAL HOLDINGS, INC.

Dated: September 10, 2020

By: /s/ Thomas S. Lam, M.D.

Name: Thomas S. Lam, M.D.

Title: Co-Chief Executive Officer and President



Investor Presentation

September 2020

Forward Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act and Section 21E of the Exchange Act. Forward-looking statements include any statements about the Company's business, financial condition, operating results, plans, objectives, expectations and intentions, and any projections of earnings, revenue or other financial items, such as the Company's projected capitation and future liquidity, and may be identified by the use of forward-looking terms such as "anticipate," "could," "can," "may," "might," "potential," "predict," "should," "estimate," "expect," "project," "believe," "plan," "envision," "intend," "continue," "target," "seek," "will," "would," and the negative of such terms, other variations on such terms or other similar or comparable words, phrases or terminology. Forward-looking statements reflect current views with respect to future events and financial performance and therefore cannot be guaranteed. Such statements are based on the current expectations and certain assumptions of the Company's management, and some or all of such expectations and assumptions may not materialize or may vary significantly from actual results. Actual results may also vary materially from forward-looking statements due to risks, uncertainties and other factors, known and unknown, including the risk factors described from time to time in the Company's reports to the U.S. Securities and Exchange Commission (the "SEC"), including without limitation the risk factors discussed in the Company's Annual Report on Form 10-K filed with the SEC on March 16, 2020 and subsequent Quarterly Reports on Form 10-Q.

Because the factors referred to above could cause actual results or outcomes to differ materially from those expressed or implied in any forward-looking statements, you should not place undue reliance on any such forward-looking statements. Any forward-looking statements speak only as of the date of this presentation and, unless legally required, the Company does not undertake any obligation to update any forward-looking statement, as a result of new information, future events or otherwise.

Investment Highlights

Multiple nationwide growth avenues driven by the shift to value-based care

Patient-centric, physician-led organization focused on outcomes-based medical care

Proprietary care management technology to facilitate integrated care

Primary care and specialist networks partnering with hospital systems to align patient care and provider incentives

Track record of strong financial performance

Clinically experienced management team



Company Overview

Key Facts and Metrics

AMEH

NASDAQ
Ticker

~\$665M

LTM 6/30/20
Revenue

25+

Years of
Operation

7,000+

Contracted
Physicians

13

Managed IPAs

~500

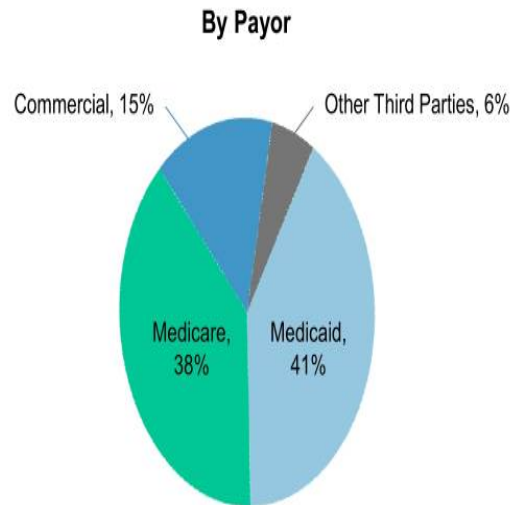
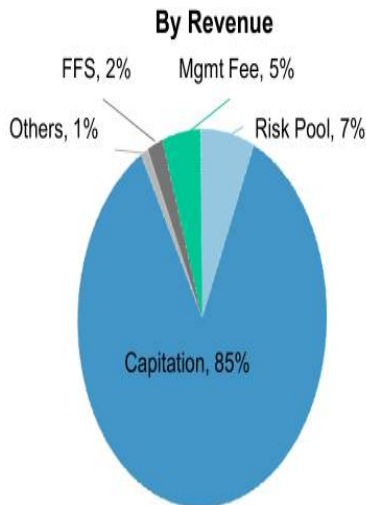
Employees

Introduction to ApolloMed

ApolloMed is a leading, physician-centric, integrated population health management company.

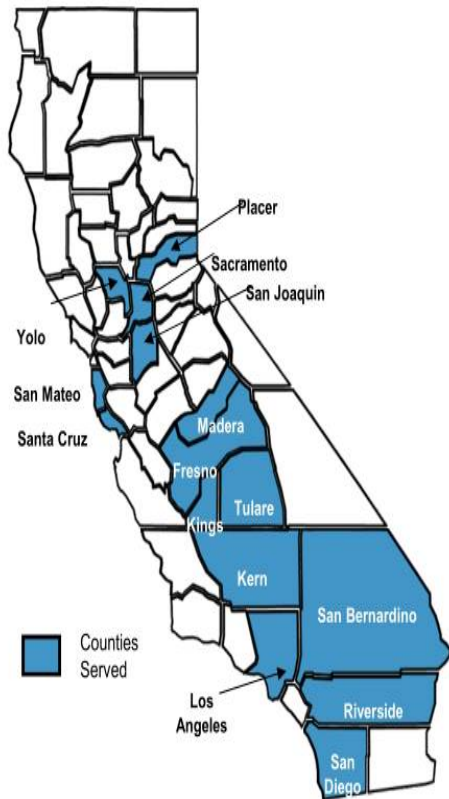
We provide coordinated, value-based, high-quality medical care for our patients in a cost-effective manner through our subsidiaries, including a Next Generation Accountable Care Organization (NGACO), affiliated independent practice associations (IPAs), and a management services organization (MSO).

Business Mix (YTD June 2020)

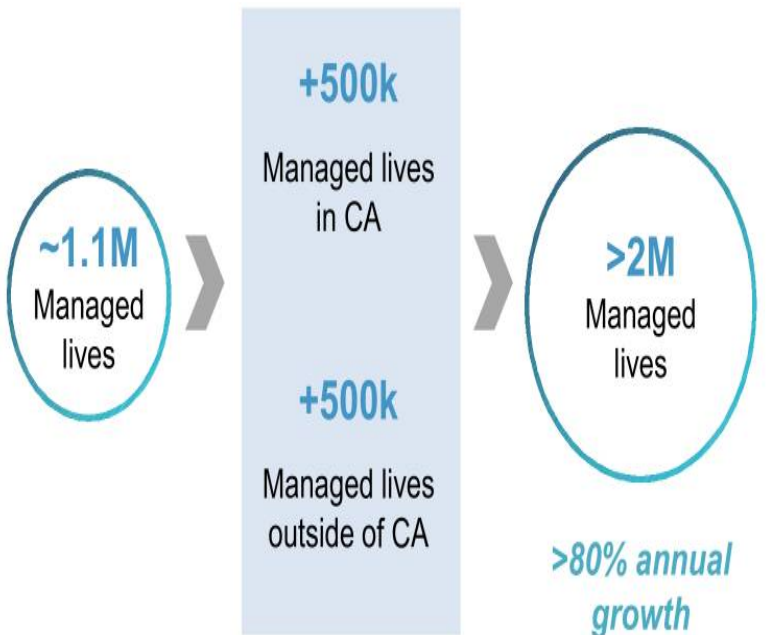


FFS: fee-for-service.

Operational Footprint



Current	2021 Goal
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ApolloMed is poised for national growth

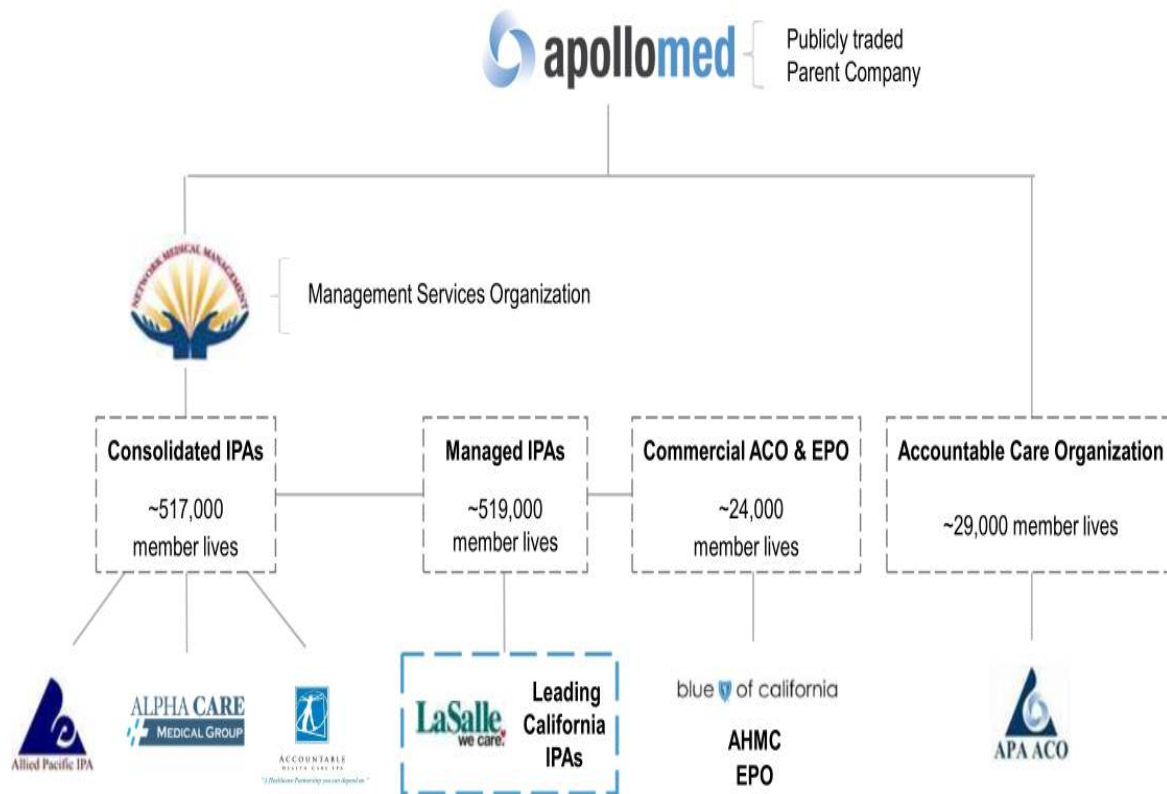


(1) As of June 30, 2020.

Diversified Payor Mix



Organizational Overview



Potential for acquisition of Managed IPAs after evaluation of growth opportunity

Service Offerings

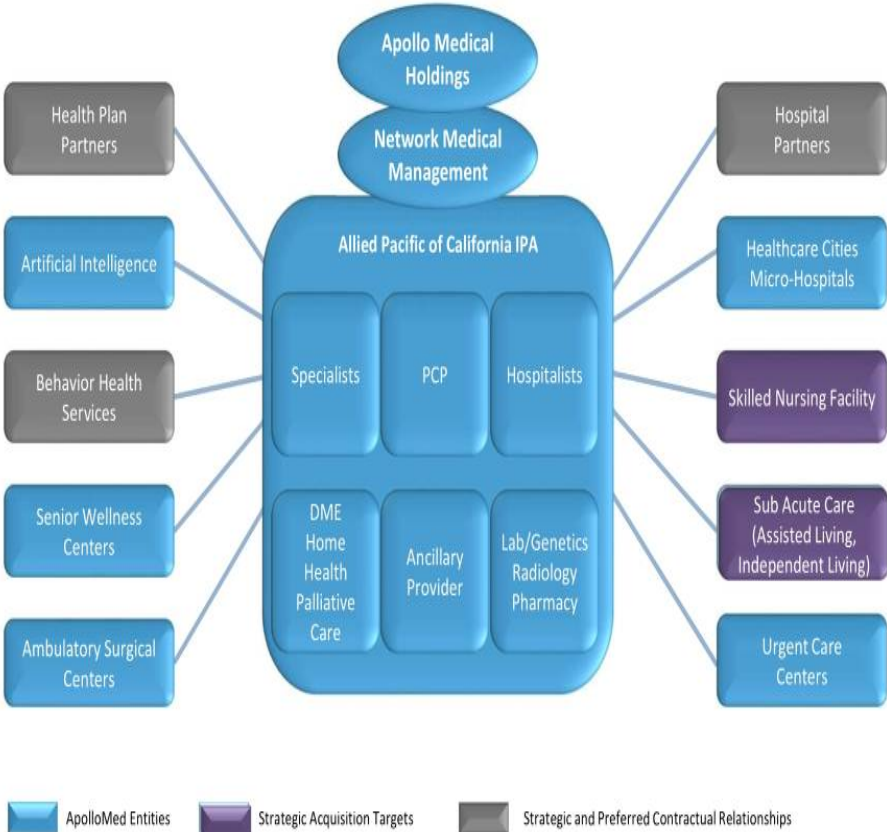
ApolloMed Offerings	Description	% of Revenue	Revenue Model
Independent Practice Associations	<ul style="list-style-type: none"> • Network of primary and specialty physicians • Deliver care under risk-bearing and capitated arrangements with payors 	~72%	<ul style="list-style-type: none"> • Capitated per member per month (PMPM)
Next Generation ACO / Risk Model	<ul style="list-style-type: none"> • Negotiates discounts and manages claims for a network of physicians that deliver coordinated care to set beneficiaries under a risk-bearing capitated arrangement with CMS² 	~13%	<ul style="list-style-type: none"> • Capitated per member per month • Eligible to receive surplus or be liable for the deficit based on the risk-sharing arrangement
Management Services Organization	<ul style="list-style-type: none"> • Provides non-medical services, such as billing, collection and administrative tasks, to medical companies and IPAs 	~5%	<ul style="list-style-type: none"> • Management fee paid monthly based on percentage of revenue or collections
Commercial EPO	<ul style="list-style-type: none"> • Deliver care under risk-bearing and capitated arrangements with payors • Members must utilize doctors and hospitals within the EPO network 	New offering	<ul style="list-style-type: none"> • Capitated per member per month (PMPM)
Commercial ACO	<ul style="list-style-type: none"> • Provide care coordination for aligned members 	New offering	<ul style="list-style-type: none"> • Fee paid on a PMPM basis • Eligible to receive surplus based on the risk-sharing arrangement



1. As of 6/30/20. 2. Centers for Medicare & Medicaid Services

Creating a Next Generation Integrated Healthcare Platform Aligning Stakeholders for Win / Win

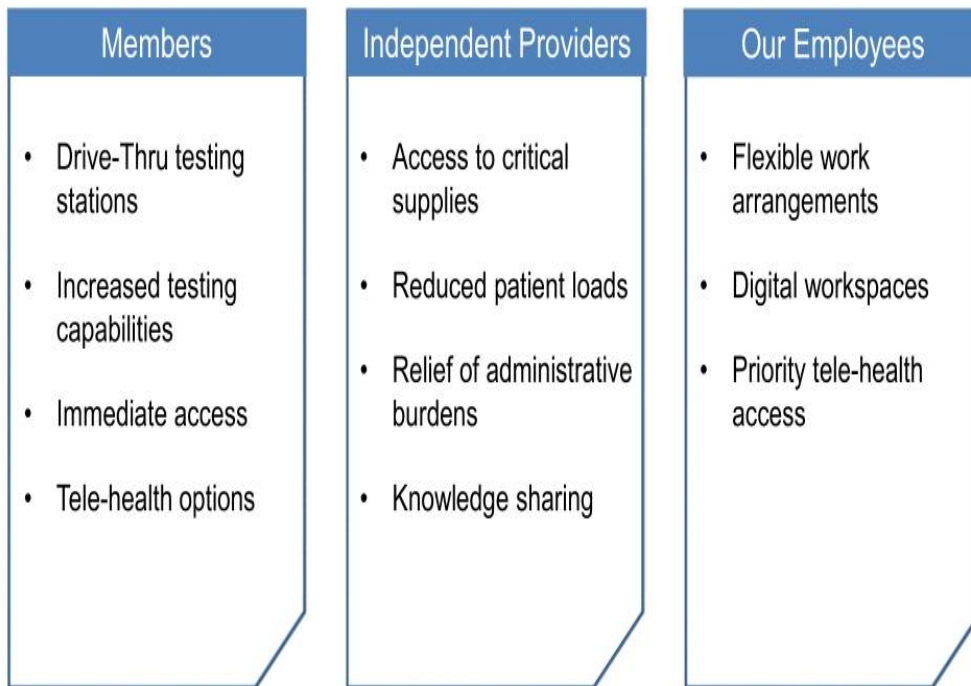
ApolloMed at the Center of Integrated Care / Population Health Management



Note: DME = Durable Medical Equipment. PCP = Primary Care Physicians.

ApolloMed's COVID Response

ApolloMed implemented numerous strategies to address COVID-19 and support our constituents



Committed to the health of our community



Technology Solutions

**Fully-integrated,
Proprietary
Technology Solutions**

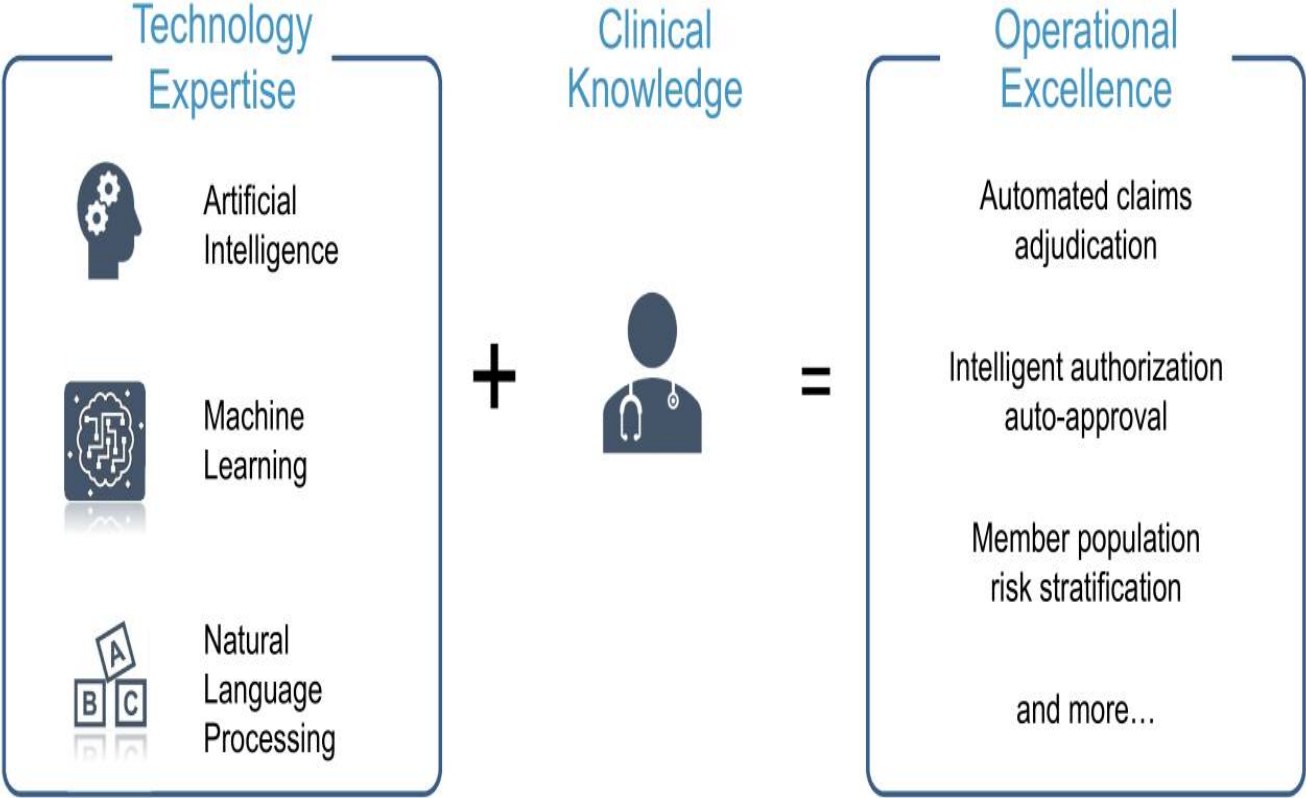
*Our solutions address
three key pain points
in managed healthcare
delivery:*

**Revenue
cycle
management**

**Utilization
management**

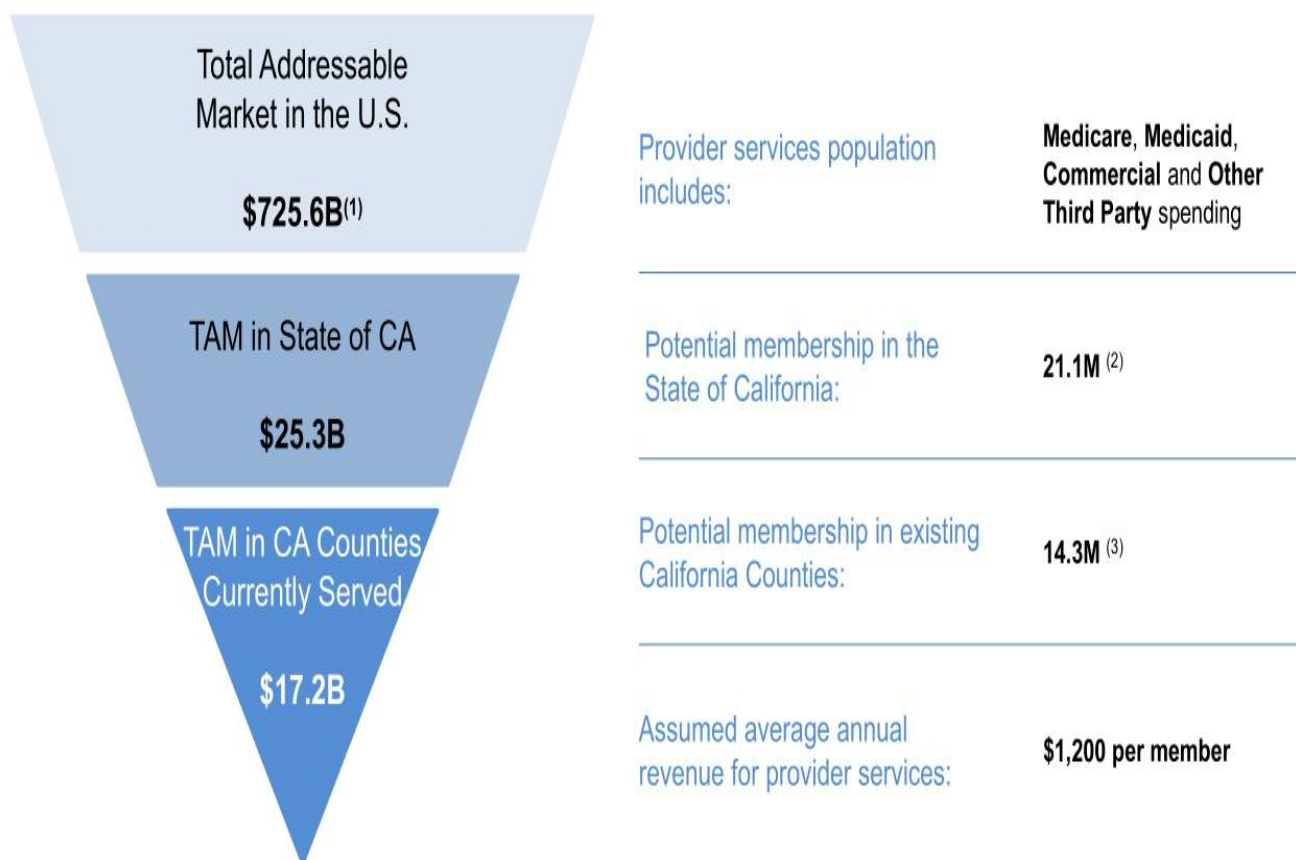
**Population
Health**

Deep Domain Expertise Yields Operational Efficiency



Growth Opportunities

Significant Market Opportunity in Provider Services



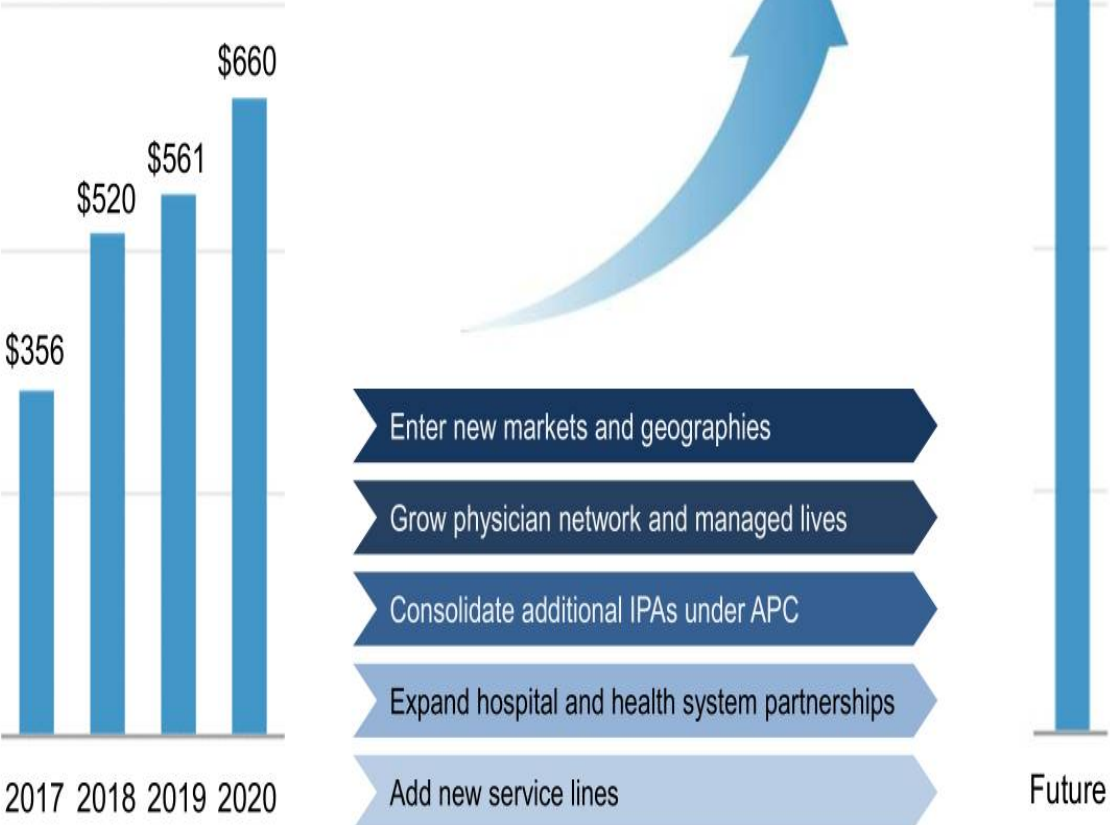
(1) Source: CMS.gov – NHE Fact Sheet, physician and clinical services expenditures in 2018.

(2) Source: Cattaneo & Stroud, Inc. – The Active California Medical Group Market report, March 31, 2019.

(3) Source: Cattaneo & Stroud, Inc. – Total of Medical Groups HMO Enrollment by Lines Business, 2004-2018, March 15, 2019.

Multiple Strategies to Drive Growth

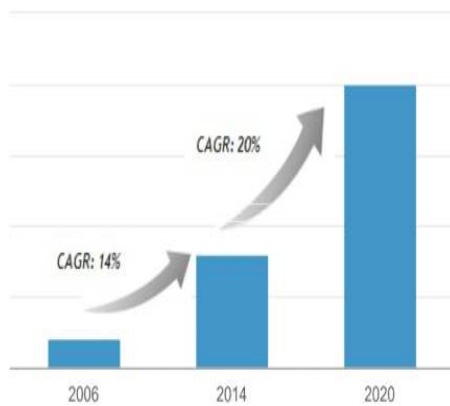
Revenue



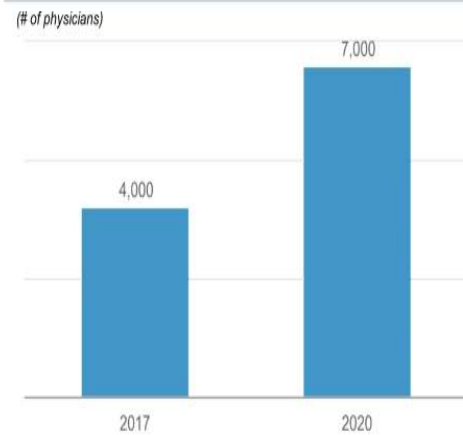
Financial Overview

Historical Financial Profile

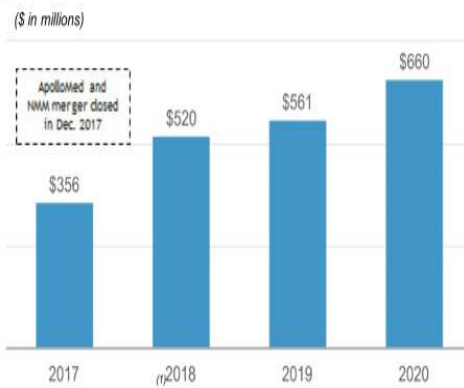
Consistent APC Membership Growth



Contracted Physicians Growth



Historical Revenue Growth



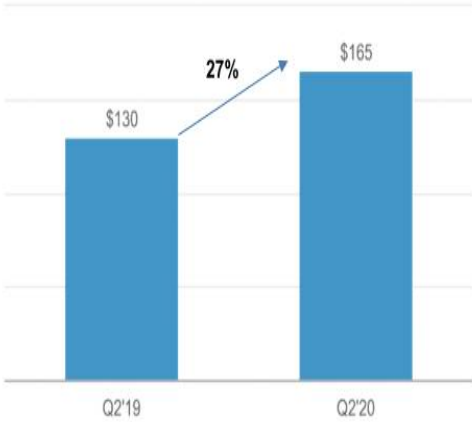
1. 2020 revenue is annualized using YTD June 2020 revenue disclosed in ApolloMed's Quarterly Report on Form 10-Q, dated August 10, 2020.

Growth in Quarterly Performance

(\$ in millions)

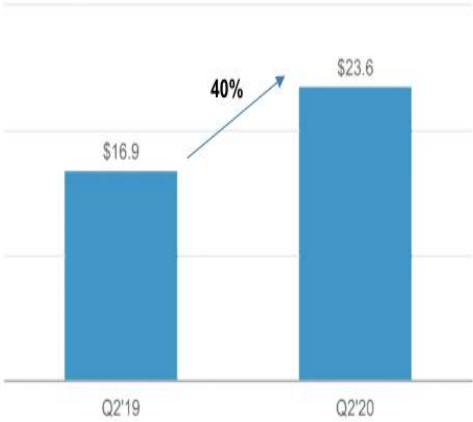
Recent Trends

Q2 Quarter over Quarter Revenue



- Capitation revenue increased primarily due to the acquisition of Alpha Care and Accountable Health Care
- Offset by the management fee decrease due to the acquisition of Accountable Health Care

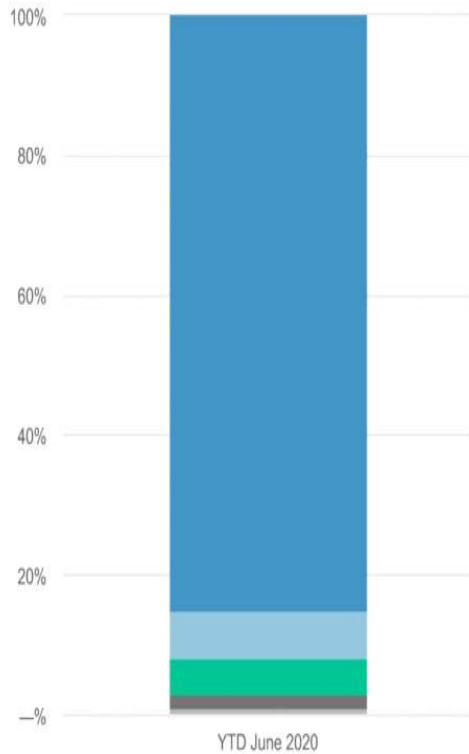
Q2 Quarter Over Quarter Adjusted EBITDA



- Driven by increase in capitation rates and improved incentive payments
- Realization of decrease in claims costs as a result of lower utilization due to COVID-19



ApolloMed Sources of Revenue (YTD 6/30/2020)



Other Income
 Fee-for-service, net
 Management Fee income
 Risk Pool Settlements & Incentives
 Capitation, net

- A **Capitation** - Capitated fees for medical services via direct arrangements with managed care providers
 - Typically pre-paid monthly based on number of enrollees
- B **Risk Pool Settlements & Incentives** - Full risk capitation arrangements with certain health plans and local hospitals
- C **Management Fee Income** - Fees earned from providing management, physician advisory, healthcare staffing, admin. and other non-medical services
- D **Fee-for-service** - Professional component of charges for medical services rendered by our contracted physicians and employed physicians

Current ApolloMed Capitalization

Share Price (as of 6/30/2020)	\$16.50
Basic Shares Outstanding ⁽¹⁾	53.8
Options, Warrants and Holdback Shares (Treasury Stock Method)	1.2
Fully Diluted Shares Outstanding ⁽²⁾	55.0
Market Capitalization (fully diluted basis)	\$907.5
Plus: Total Bank Debt	245.3
Less: Cash and Cash Equivalents ⁽³⁾	(33.6)
Implied Enterprise Value	\$1,119.2
Notes:	
Availability on revolving credit facility	\$25.0



Note: See appendix for EBITDA reconciliation. Balance sheet data as of 6/30/2020.

(1) Includes 17.5mm treasury shares.

(2) Fully diluted shares outstanding includes 1.5mm outstanding options and 3.8mm outstanding warrants.

(3) Excludes restricted cash of \$119mm.

Appendix

EBITDA Reconciliation

(\$ in millions)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Net income	\$ 81.0	\$ 10.7	\$ 84.0	\$ 8.2
Depreciation and amortization	4.6	4.5	9.3	8.9
Provision for income taxes	31.9	4.2	33.5	2.8
Interest expense	2.7	0.3	5.5	0.5
Interest income	(0.9)	(0.5)	(1.8)	(0.8)
EBITDA	119.3	19.2	130.5	19.6
(Income) loss from equity method investments	(0.8)	—	(2.9)	0.9
Gain on sale of equity method investment	(99.6)	—	(99.6)	—
Other income	(1.3)	—	(1.4)	(0.2)
Provider bonus payments	2.0	—	2.0	10.0
Provision for doubtful accounts	—	(2.3)	—	(1.4)
Net loss adjustment for recently acquired IPAs	4.0	—	8.8	—
Adjusted EBITDA	\$ 23.6	\$ 16.9	\$ 37.4	\$ 28.9

EBITDA Reconciliation

Use of Non-GAAP Financial Measures

This presentation contains the non-GAAP financial measures Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") and Adjusted EBITDA, of which the most directly comparable financial measure presented in accordance with GAAP is net (loss) income. These measures are not in accordance with, or are an alternative to, U.S. generally accepted accounting principles, ("GAAP"), and may be different from other non-GAAP financial measures used by other companies. ApolloMed uses Adjusted EBITDA as a supplemental performance measure of its operations, for financial and operational decision-making, and as a supplemental means of evaluating period-to-period comparisons on a consistent basis. Adjusted EBITDA is calculated as earnings before interest, taxes, depreciation, and amortization, excluding losses from equity method investments and other income earned that is not related to ApolloMed's normal operations. Adjusted EBITDA also excludes non-recurring items, including those resulting from its adoption related to Accounting Standards Codification 606 - Revenue Recognition, provider bonus payments, net provision for doubtful accounts, impairment of goodwill and intangible assets, severance payments, and the effect on EBITDA of certain IPAs it recently acquired.

ApolloMed believes the presentation of these non-GAAP financial measures provides investors with relevant and useful information as it allows investors to evaluate the operating performance of the business activities without having to account for differences recognized because of non-core and non-recurring financial information. When GAAP financial measures are viewed in conjunction with non-GAAP financial measures, investors are provided with a more meaningful understanding of ApolloMed's ongoing operating performance. In addition, these non-GAAP financial measures are among those indicators ApolloMed uses as a basis for evaluating operational performance, allocating resources and planning and forecasting future periods. Non-GAAP financial measures are not intended to be considered in isolation, or as a substitute for, GAAP financial measures. To the extent this release contains historical or future non-GAAP financial measures, ApolloMed has provided corresponding GAAP financial measures for comparative purposes. Reconciliation between certain GAAP and non-GAAP measures is provided above.

Key Acronyms

- **ACO:** Accountable Care Organization
- **AIPBP:** All-Inclusive Population-Based Payments
- **APC:** Allied Physicians of California IPA
- **CMMI:** Center for Medicare and Medicaid Innovation
- **CMS:** Centers for Medicare & Medicaid Services
- **DME:** Durable Medical Equipment
- **Health Plan / Payors:** Health Insurance Companies
- **HMO:** Health Maintenance Organization
- **IPA:** Independent Practice Association
- **NCI:** Non-Controlling Interest
- **NMM:** Network Medical Management
- **MSA:** Master Service Agreement
- **MSO:** Management Services Organization
- **NGACO:** Next Generation Accountable Care Organization
- **PCP:** Primary Care Physician
- **PMPM:** Per-Member-Per-Month
- **SNF:** Skilled Nursing Facility
- **VIE:** Variable Interest Entity

