



Dear Oscar Broker,

Today, we're announcing that Oscar has decided to withdraw our plans from the New Jersey market beginning January 1, 2017. We will continue to serve the New York, Long Island, San Antonio, Los Angeles and Orange County markets, and we will begin serving the San Francisco market, effective January 1, 2017. We will continue to pay broker commissions through the end of 2016 on all policies placed with Oscar in New Jersey.

Three years ago, Oscar entered the insurance market in order to provide a better overall health care experience. We have grown far faster than we ever expected, to a company that insures almost 130,000 individuals today. We are proud of the products and services we offer our members and look forward to improving our offerings in the days, months, and years ahead.

As an insurer focused on the Affordable Care Act market, however, we face the same challenging market dynamics that other companies—some larger, some smaller—do. Serving our members in New Jersey has been a privilege, and we believe everyone deserves access to quality healthcare. But we've concluded that instability in the market will make it challenging for us to operate effectively and continue to deliver quality healthcare to all of our members across the country. We hope someday soon to return to New Jersey as we carry on with our mission to change healthcare delivery in the United States.

Despite this withdrawal, we remain optimistic about our overall expansion plans. We have raised more than \$700M in capital to date and continue to invest heavily in tools and provider relationships to fuel our future growth. In addition to moving into the individual market in San Francisco, we are also planning to begin providing small group insurance across most of our 2017 markets.

We do not reach these decisions lightly, and will do our utmost to help our members in the

affected regions find coverage for 2017. While our financial position remains strong today, we must continue to be smart and prudent about our investments, especially as we work hard to drive and accelerate Oscar's growth going forward. More broadly, we look forward to seeing the individual-market environment stabilize in a way that will allow us to serve more people across the US with quality healthcare that's affordable and accessible.

Sincerely,

A handwritten signature in black ink, appearing to read 'MS', with a stylized flourish at the end.

Mario Schlosser
CEO and Co-Founder