

UNITEDHEALTH GROUP





UnitedHealth Group is a health care and well-being company with a mission to help people live healthier lives and help make the health system work better for everyone.

Who we are

We are nearly 380,000 colleagues in two distinct and complementary businesses working to help build a modern, high-performing health system through improved access, affordability, outcomes and experiences.

Optum combines clinical expertise, technology and data to empower people, partners and providers with the guidance and tools they need to achieve better health.

UnitedHealthcare offers a full range of health benefits, enabling affordable coverage, simplifying the health care experience and delivering access to high-quality care.

We work with governments, employers and providers to serve 149 million people and share a vision of a value-based system of care that provides compassionate and equitable care.

At UnitedHealth Group, our mission calls us, our values guide us and our diverse culture connects us as we seek to improve care for the consumers we are privileged to serve and their communities.

~380K
employees

149M
people served by
UnitedHealth Group

Our strategic growth priorities

Our five strategic growth priorities are connected and supported by a growing set of complementary capabilities to bring innovation to the entire health care system and create more value for the people we serve.



Value-Based, Comprehensive Care Delivery

With nearly 70,000 employed or aligned physicians serving over 20 million people – including more than 3 million in fully accountable value-based arrangements – our integrated care delivery capabilities are strongly positioned to help providers and payers transition from fee-for-service to more effective models that can achieve higher-quality outcomes and better experiences, at lower costs. We continue to integrate and broaden these capabilities, including in clinic, in home, behavioral and virtual, to serve more people, more comprehensively.



Health Benefits

We serve more than 51 million people in commercial and government health benefit programs. We continue to look for opportunities to deliver better care and outcomes for all customers and consumers. We are building on proven coverage offerings with new, innovative benefits that are simple and affordable. We continue to prioritize coverage that facilitates high-quality care at a lower cost, which in turn drives growth in the number of people we are able to serve.



Health Technology

As a payer, provider and technology company, we are uniquely positioned to bring greater transparency and quality to health care. We use clinical data and intelligence to help redesign, automate and deploy new technologies and approaches to simplify administrative processes and clinical decision-making – thus enabling physicians and health systems to operate more efficiently and effectively, and better serve their patients. We are continuing to expand our portfolio of comprehensive market-level health system partnerships with tools to improve claims accuracy and administrative efficiency.



Health Financial Services

Streamlining payment processes to provide greater convenience and reliability for consumers and providers is essential to modernizing the health system. Our work to integrate the end-to-end health banking and payments experience will help providers get paid more accurately, faster and with less administrative burden, making payments simpler, more convenient and affordable for consumers.



Pharmacy Care Services

As the most common touch point in health care, pharmacy care services are vital to improving patient outcomes and reducing total cost of care throughout the health system. We continue to innovate as a care provider and pharmacy benefit manager, strengthening our direct-to-consumer offerings, capturing greater share of the growing life sciences market and seamlessly integrating our medical, pharmacy, behavioral and community health capabilities.

Measuring and improving experiences

For many years, UnitedHealth Group has used Net Promoter System (NPS) to measure experiences people have with us, helping us improve everything from product design, to channel delivery, to customer service. Since introducing NPS testing and surveys, we've seen significant improvements in how we serve people.

NPS is linked directly to our business goals, tied to our compensation, and influences the decisions we make every day. As a result, we continue to associate strong NPS performance with positive economic factors such as customer retention, growth pipeline, consumer satisfaction and loyalty. We've also been able to show how our commitment to NPS and the stakeholder experience propels improved access, affordability and outcomes.

We're deepening our efforts to improve our performance by collaborating across our businesses to transform those experiences and journeys our consumers and patients tell us are most important to them. And we look at other measures of consumer experience to ensure we have the fullest sense of how we are doing in the eyes of those we serve.

Sustainability at UnitedHealth Group

Sustainability is in the nature of our day-to-day work as we strive to help ensure the health care system performs better for everyone in the near and long term.

Our sustainability priorities include:

- **Helping to Build a Modern, High-Performing Health System.** We are committed to a future that expands access to care, improves health care affordability, enhances the health care experience and achieves better health outcomes for everyone. Our partnerships with local stakeholders are helping us build healthier communities across the U.S. and to address long-standing health disparities.

- **Environmental Health.** We recognize the important role the environment plays in the health of every community and we are committed to mitigating our impact on the environment.
- **Our People and Culture.** We celebrate our people, ideas and experiences, creating a culture where all team members are appreciated, valued and able to reach their full potential. We come together as individuals – forming a team as diverse as the people we serve – to meet our responsibility to improve the health system and build a diverse health workforce.
- **Responsible Business Practices.** We have developed strong and effective governance practices, including compliance, board diversity and independence, a commitment to ethics and integrity, and an emphasis on data security and supply chain management.

Learn more in our [Sustainability Report](#).



Advancing health equity

Expanding access to affordable care for people is fundamentally what we do as a business. Through our benefits offerings, care delivery and more, we strive to make it easier for people to get the care they need. UnitedHealth Group has led hundreds of local and national health equity initiatives and invested millions of dollars in partnerships with community change-making organizations. Health equity is ingrained in our business operations, from our organizational strategy to our population health insights. Our core areas of focus are reflective of the specific areas where we can make significant headway to address long-standing disparities.

Long-term financial performance outlook

We anticipate our enterprise will continue to grow as a result of delivering differentiated value to our customers, consumers and society as a whole.

We maintain a long-term outlook for earnings per share growth of 13% to 16% on average, with about two-thirds of this growth driven by earnings from operations and the remainder from capital deployment. Earnings growth rates inherently vary year to year, due to changes in economic conditions, health program funding and regulatory changes, investments to drive future organic growth, and capital allocation activities such as business combinations, share repurchases and our dividend.

Specific elements of our long-term growth outlook include:

- Overall, we expect Optum to sustain a long-term double-digit revenue growth rate, primarily by serving more people, more comprehensively. Margins are expected to range from above 20% for technology products, to low- to mid-single-digit margins for some pharmacy care services. Optum Health is expected to have double-digit revenue growth, with operating margins in the 8% to 10% range. Optum Insight is expected to deliver double-digit revenue growth and operating margins of 18% to 22%. Optum Rx revenue should grow at 5% to 8% with operating margins in the 3% to 5% range.
- We expect UnitedHealthcare to continuously increase value delivered to customers, driving growth in people served across its businesses, and resulting in an 8% to 10% long-term revenue growth rate. The operating margin profile of each business is expected to continue generally stable over the long-term. Our Medicare Advantage business is expected to grow as more people select our high-value offerings and the population ages. We expect our Medicaid business to grow as states expand managed coverages, especially for more complex populations. Within the commercial business, our new innovative offerings are expected to drive growth in the years ahead.
- Among UnitedHealthcare's businesses in total, we expect the medical care ratio to rise gradually over time as we expand in government programs, which typically come with a higher medical care ratio than commercial businesses.
- Consistent with recent years' results, we expect to sustain a mid-single-digit percentage operating margin over the long term, with annual variations based on business mix.
- We anticipate improving our operating cost ratio by an average of 20 to 40 basis points per year on an equivalent business mix basis.
- We will continue to deploy capital through targeted acquisitions, seek to maintain a market-leading dividend and expect to continue ongoing share repurchase activity. We expect these will contribute in the range of 3 to 5 percentage points to our annual earnings per share growth rate.
- We expect our business performance and capital deployment will yield a return on equity of 20% or higher and a return on invested capital in the mid-teens percent or greater.

13% - 16%

long-term outlook for earnings per share growth, on average

Balancing capital allocation among key priorities

We regularly balance the allocation of the capital generated by our strong cash flow among several key priorities: ensuring the strength of our regulated entities and the overall enterprise capital structure; internal reinvestment opportunities; further growth through acquisitions; and returning capital to shareholders through dividends and share repurchases. Our board has authorized a double-digit increase of the dividend each year since 2010, to the current annualized level of \$6.60 per share, or approximately \$6.2 billion per year. The dividend is reviewed by management and the board on a regular basis in light of business needs and market conditions.