

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
Surgical Care Affiliates, Inc.		20-8740447	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Frances Jacobs	800-328-5979	Investor_Relations@uhc.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and Zip code of contact	
9900 Bren Road East, MN008-T930		Minnetonka, MN 55343	
8 Date of action	9 Classification and description		
March 24, 2017	Exchange of Common Shares Exch. for shares of UnitedHealth Group & \$11.40 per share		
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
86881L106	N/A	SCAI	N/A

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ [See Attached Statement 1](#)

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ [The quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer is explained in attached Statement 1 for question 16.](#)

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ [See Attached Statement 1](#)

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ _____

The applicable Internal Revenue Code sections are 354, 356, 358 and 368.

18 Can any resulting loss be recognized? ▶ No

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The transaction impacts the calendar tax year ending December 31, 2017.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ *John W. Kelly*

Date ▶ 06/07/17

Print your name ▶ John W. Kelly

Title ▶ Sr. Vice President of Tax

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

Form 8937

Report of Organizational Actions Affecting Basis of Securities

Part II – Organizational Action

Question 14. Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.

On March 24, 2017, pursuant to an Agreement and Plan of Reorganization, dated January 7, 2017 by and among Surgical Care Affiliates, Inc. ("SCA"), Spartan Merger Sub 1, Inc., Spartan Merger Sub 2, LLC, and UnitedHealth Group Incorporated ("UNH"), in a series of mergers, SCA was merged with and into a wholly owned direct subsidiary of UNH. In connection with the merger, each issued and outstanding share of common stock of SCA ("SCA Common Stock") was converted into 0.269154 shares of UNH Common Stock and \$11.40 in cash to SCA's shareholders of record immediately prior to the closing of the merger.

Question 16. Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.

The aggregate basis of the UNH Common Stock received by a U.S. holder of SCA common stock (including fractional shares of UNH Common Stock deemed received and redeemed) will be the same as the aggregate basis of the SCA Common Stock for which it is exchanged, decreased by the amount of cash received (other than cash received instead of fractional share interests in UNH Common Stock as described below), and increased by the amount of gain recognized on the exchange, other than with respect to cash received instead of fractional share interests in UNH Common Stock .

A U.S. holder of SCA Common Stock who receives cash instead of a fractional share of UNH Common Stock will be treated as having received the fractional share and then as having exchanged the fractional share for cash in a redemption by UNH. As a result, such U.S. holder of SCA Common Stock will generally recognize gain or loss equal to the difference between the amount of cash received and the basis in its fractional share interest as described more fully below.

In general, and as described more fully both in the registration statement on Form S-4 filed with the SEC by UNH (and subject to the qualifications described therein), except with respect to a U.S. holder of SCA Common Stock who receives cash instead of a fractional share of UNH Common Stock as set forth above, gain (but not loss) will be recognized by U.S. holders of SCA Common Stock who receive UNH Common Stock and cash in exchange for shares of SCA Common Stock, in an amount equal to the lesser of (1) the amount by which the sum of the fair market value of the UNH Common Stock and cash received by a U.S. holder of SCA Common Stock exceeds such U.S. holder's basis in its SCA Common Stock and (2) the amount of cash received by such U.S. holder of SCA Common Stock. A reasonable estimate of the fair market value of the UNH Common Stock at the effective time of the merger is \$165.875 per share (the average of the high and low trading prices of UNH Common Stock on March 24, 2017).

Both basis and gain recognized (or non-recognized loss) must be computed separately for each block of SCA Common Stock.