



UnitedHealth Group



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Fostering Growth in a Reform Environment

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Important Information



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- Our presentation today may contain “forward-looking” statements under U.S. federal securities laws. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from historical experience or present expectations. A description of some of the risks and uncertainties can be found in our reports filed with the Securities and Exchange Commission from time to time, including the cautionary statements included in our annual report on Form 10-K and quarterly reports on Form 10-Q.
- Our presentation today will also reference non-GAAP amounts. A reconciliation of non-GAAP to GAAP amounts is contained on the Financial Reports and SEC Filings section of our Investors page at www.unitedhealthgroup.com.
- All 2008 earnings from operations, net earnings, net earnings per share, and operating margins reflected in this presentation exclude pre-tax Operating Costs of \$350 million for settlement of class action litigation related to reimbursement for out-of-network medical services, partially offset by a net reduction in pre-tax Operating Costs of \$10 million for insurance recoveries and legal fees related to various matters, pre-tax Operating Costs of \$882 million for settlement of two class action lawsuits and related legal costs, and \$46 million for employee severance related to operating cost reduction initiatives and other items, partially offset by a \$185 million reduction in Operating Costs for proceeds from the sale of certain assets and membership in the individual Medicare Advantage business in Nevada. 2008 cash flows from operations as presented excludes the impact of payments for the settlement of two class action lawsuits, net of tax benefit.
- Financial data, including forward estimates, are presented as of our April 21, 2009 earnings release and we are neither updating nor reaffirming these financial data.

UnitedHealth Group Snapshot



Overview

- Fortune #21
- Serve more than 70 million Americans
- Touch nearly every aspect of health care financing and delivery — ranked #1 for innovation by *Fortune* magazine

Who We Are and What We Do

UnitedHealth Group is organized into broadly diversified businesses that...

...enable people to find and receive the best quality health care

...work to ensure the care people need is as affordable as possible

... provide guidance and tools to make good decisions about people's health

...improve people's lives by improving their health

2008 Financial Profile

- \$81.2 Billion Revenue
- \$6.3 Billion Operating Earnings
- 7.8% Operating Margin
- 38% Debt to Total Capital
- \$4.8 Billion Cash Flows from Operations
- \$2.95 Diluted Net Earnings Per Share

Strong Q1 2009 Results

- Improving fundamental performance despite economic challenges
- Better than projected earnings and cash flow
- Accelerating revenue growth driven by Medicaid and Seniors businesses
- Continued strong balance sheet position

2009E Financial Results



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\$ in billions, except EPS

	2008	2009E
Revenues	\$81.2	\$85.0 - \$86.5
Earnings from Operations	\$6.3	\$6.0 - \$6.4
Operating Margin	7.8%	7.0% - 7.5%
Net Earnings	\$3.7	\$3.4 - \$3.7
Cash Flow from Operations	\$4.8	~\$5.0
Net Earnings per Share	\$2.95	\$2.90 - \$3.15

Financial Outlook as Presented April 21, 2009

We are neither updating nor reaffirming these financial data

Foundational Assets



Health Benefits



Health Services

HEALTH ACCESS & ADVANCEMENT

Care provider networks, group purchasing, resource organization
complex care management and wellness programs

TECHNOLOGY-BASED TRANSACTIONAL CAPABILITIES

Proprietary, customer-oriented complex transaction applications,
infrastructure and connectivity

KNOWLEDGE & INFORMATION

Diverse and longitudinal data, analytic tools and reports, and applications

**Foundational
Assets**

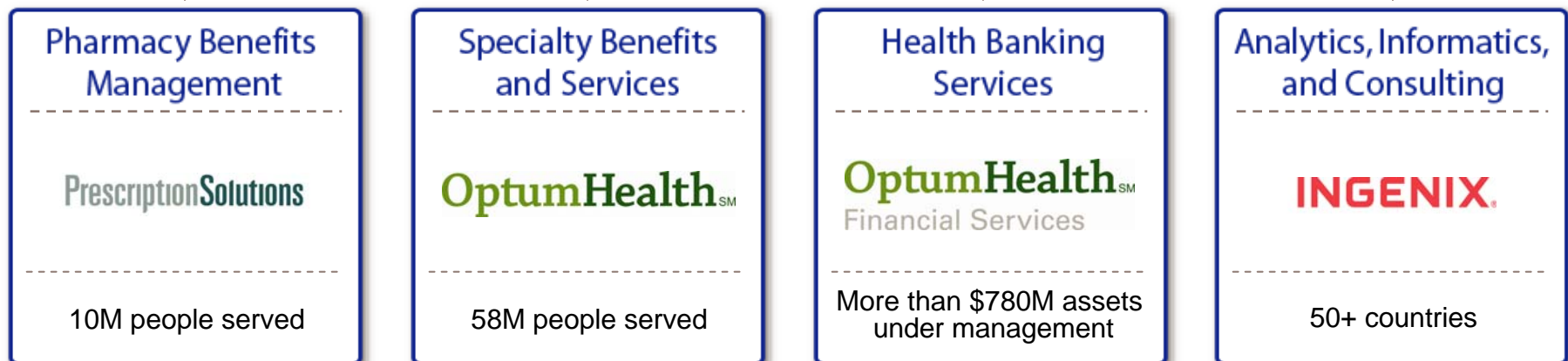
Consistent Approach for More Than a Decade

We Sell Health Services



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Health Services



- Diversified across the health services spectrum
- Providing services to Employers, Consumers, Life Sciences, Physicians, Hospitals and Unaffiliated Payers
- Higher margin — Higher growth
- Early stage of industry consolidation

We Sell Health Benefits



- Common networks
- Shared clinical resources
- Common operating model
- Moderate margins

- Delivers benefits, administration and clinical guidance
- Provides managed cost trend and quality care
- Coordinated to the local market level
- Exceptional cash flows

AmeriChoice Today



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- **Focus & Commitment** — UnitedHealth Group made a series of investments more than five years ago to expand its commitment to low-income individuals and those with disabilities and chronic illnesses
- **UnitedHealth Group Linkage** — Enabled by capabilities, including prescription services (Prescription Solutions), behavioral health (OptumHealth), long-term care (Ovations), fraud and abuse (Ingenix)
- **Scale** — AmeriChoice is the market leader in our category by revenues and people served
- **Diversification** — Portfolio approach serves 2.5 million members in 22 state markets (including Washington D.C.)
- **Leading the Market** — Just as we anticipated the growth in state and public programs, we are attentive to evolving public policy and economic issues today

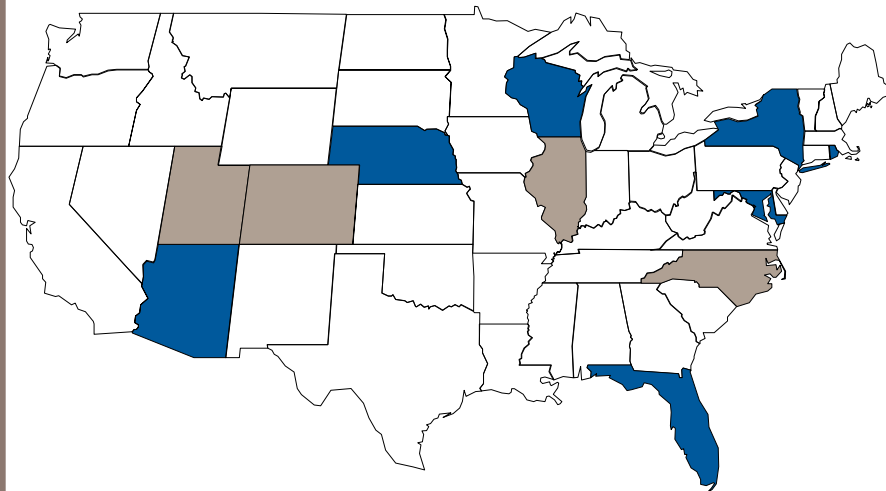
UNH Assets and Resources Provide Strategic Advantage

State & Public Program Business Pre-Expansion and Today



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Pre-Expansion (2002)

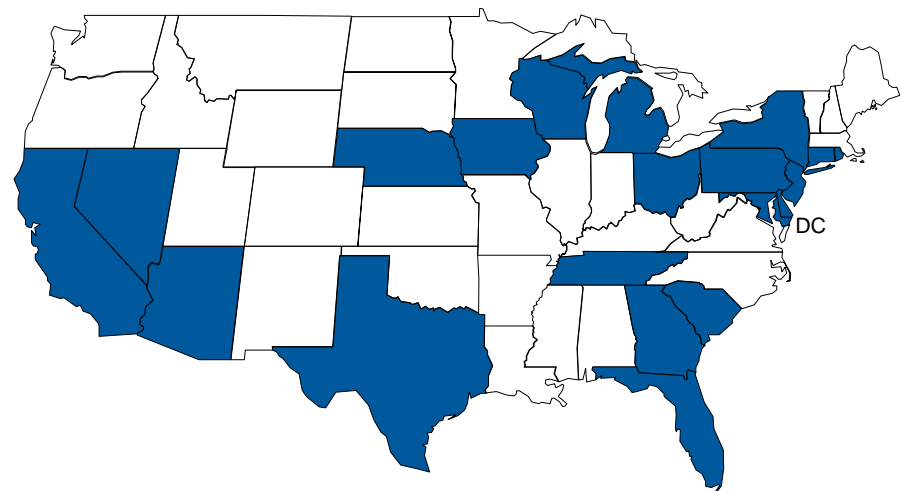


Continuing State Markets — 7

- Annual Revenue: \$1 billion
- Members: 0.6 million

Exit Markets — 4

2009E



State Markets — 21 or more

- Annual Revenue: ~\$8 billion
- Members: ~2.7 million

AmeriChoice Acquisition Created a Growth Platform

Note: Excludes Evercare Long-Term Care Medicaid.

AmeriChoice Trends & Opportunities



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- **Vast & Growing Market** — In 2009, state and public programs will serve over 50 million individuals and facilitate over \$300 billion in care
- **Recessionary Environment** — Intense state budget challenges put pressure on rates paid to managed care organizations
 - Rising unemployment drives market expansion
- **Federal Legislation** — Significant growth opportunities from 2009 legislation, including American Recovery & Reinvestment Act (ARRA or “stimulus”) and Children’s Health Insurance Program Reauthorization Act (CHIPRA)
- **States Expanding Use of Private Sector** — Managed care reduces expenditures and offers a more predictable cost structure

A Growing \$300 Billion Market

AmeriChoice Unique Positioning



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Distinctive Capabilities

- Combined Medicaid, social, and behavioral approach
- Personal Care Model leverages a holistic model across the continuum of care
- Unique outreach / education programs and grass roots marketing

Leveraging Broad Array of UnitedHealth Group Assets

- Behavioral, dental, transplant, and other programs
- Information and technology
- Ingenix, OptumHealth, Prescription Solutions, and Ovations
- \$115 billion of combined health care purchasing scale

Diverse, Adaptable and Locally-Focused Approach

- Managing business state by state and program by program
- Strong regulatory ties with Federal and State agencies
- Partnering to influence plan design and program expansion
- Dedicated and targeted resources to specific populations and customers

Local Market Expertise Combined With National Capabilities

Sustained Growth in State & Public Programs



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	2006	2007	2008	2009E Range ¹
Revenue (billions)	\$3.7	\$4.5	\$6.0	~\$8.0
Individuals Served (millions) ²	1.4	1.7	2.4	~2.7
State Markets Served	13	16	23	21 or more

2009 Considerations

- Targeting 30%+ revenue growth in 2009
- Organic growth of 425,000 - 500,000 risk-based members — includes expansions in Tennessee, Connecticut, Washington, D.C., and Arizona in 2009

Strong Growth to Continue into 2010

¹ Financial outlook as presented April 21, 2009. We are neither updating nor reaffirming these financial data.

² Excludes Evercare Long-Term Care Medicaid.

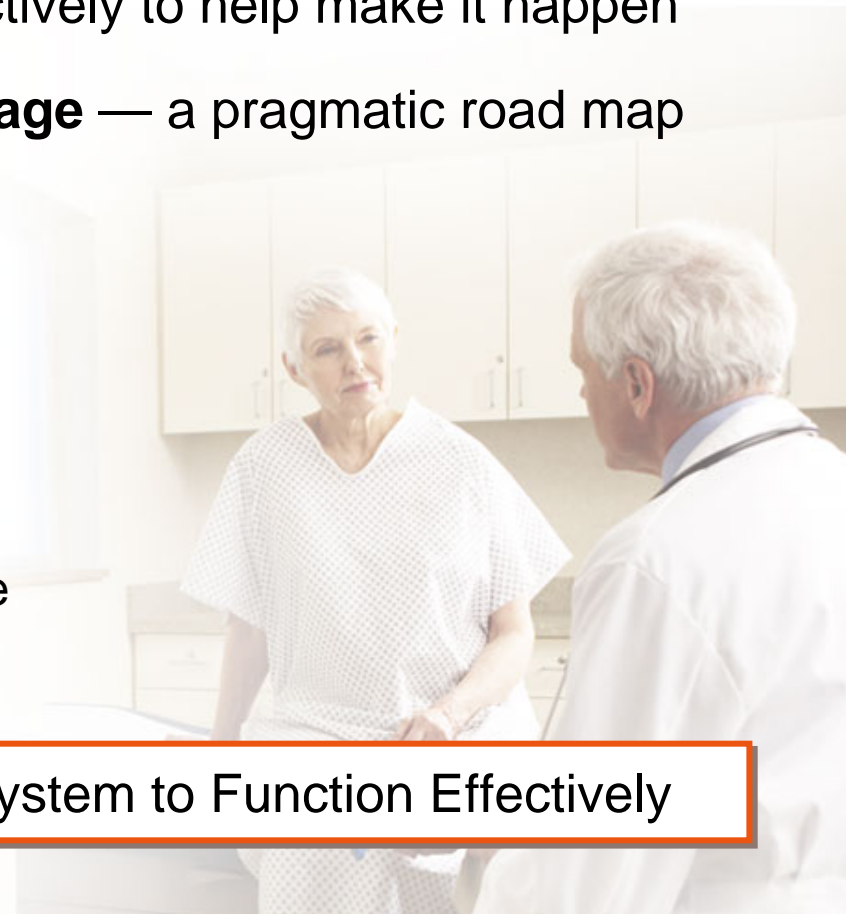
UNH Point of View on National Health Reform



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- We strongly support **comprehensive**, thoughtful, and effectively-implemented national health reform that modernizes health care delivery
- We are **engaging actively** and constructively to help make it happen
- We support the goal of **universal coverage** — a pragmatic road map includes:
 - Strengthening employer-sponsored coverage which currently covers 160 million people
 - Modernizing the individual and small group markets
 - Increasing public subsidies for low-income families and underserved communities

The Need to Coordinate Across the System to Function Effectively



UNH Point of View on National Health Reform



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- Expanding coverage and improving affordability are two sides of the same coin; to be sustainable they have to be pursued together
- Improving affordability must include improving delivery system efficiency; 93 cents of every health care dollar are spent on delivery
- Cost shifting is not the same as cost saving
 - \$88 billion existing cost shift from public to private payers
 - Focus on Total Health Expenditures, not just Federal Health Expenditures
- Distinguish the theory of what government can do, from the reality of the political process
 - Recent examples of the disconnect: Physician Medicare SGR formula; Medicare Durable Medical Equipment bidding; Stimulus debate on cost-effectiveness research
- In regulating markets, pay attention to unintended consequences, including 'crowd out'

Cost Containment is Critical to Sustainable Modernization

Transferable Approach & Knowledge in a Reform Environment



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- **Local Focus** — Delivering programs locally, leveraging national capabilities
- **Proven Cost Management** — Providing state customers intensive case management that optimizes every dollar of health care spend
- **Competitive Bidding Skills** — Winning large (e.g., multi-billion dollar), multiyear contracts
- **Flexible Operating Systems** — Capable of handling broad based changes to provider payments
- **Pay-for-Performance Capabilities** — Operating programs where revenue is tied to quality measures

UNH's Approach Capitalizes on a Reform Environment

Success Enabling Past Health Care Reform Efforts



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Issue	UnitedHealth Group Response
Care quality and affordability for chronically-ill seniors	 Evercare® Special Needs Plans market leader
Modern Medicare design	 OVACTIONS Medicare market leader across all products (Part D, MA, MedSupp)
Need for consumer responsibility in commercial markets	 UnitedHealthcare® 2.9 million consumers CDH market leader
Health Savings Accounts	 OptumHealth SM Financial Services \$780 million in assets managed Market-leading position
Affordable prescription drugs for seniors	 AARP® Exclusive branding for Part D drives 24% market share — market leader
States need modern benefits and cost controls	 AmeriChoice Medicaid and CHIP market leader

Well Positioned for Future Health Care Market Changes

Forward-Looking Statements



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This presentation may contain statements, estimates, projections, guidance or outlook that constitute “forward-looking” statements as defined under U.S. federal securities laws. Generally the words “believe,” “expect,” “intend,” “estimate,” “anticipate,” “plan,” “project,” “should” and similar expressions, identify forward-looking statements, which generally are not historical in nature. These statements may contain information about financial prospects, economic conditions, trends and uncertainties and involve risks and uncertainties. We caution that actual results could differ materially from those that management expects, depending on the outcome of certain factors. Some factors that could cause results to differ materially from the forward-looking statements include: the potential consequences of various governmental reviews and litigation matters related to our historical stock option practices and the potential consequences of each of these matters on our business, credit ratings and debt; increases in health care costs that are higher than we anticipated in establishing our premium rates, including increased consumption or costs of medical services; heightened competition as a result of new entrants into our market, and consolidation of health care companies and suppliers; events that may negatively affect our contracts with AARP; uncertainties regarding changes in Medicare, including coordination of information systems and accuracy of certain assumptions; funding risks with respect to revenues received from Medicare and Medicaid programs; failure to achieve business growth targets, including membership and enrollment; increases in costs and other liabilities associated with increased litigation, legislative activity and government regulation and review of our industry; our ability to execute contracts on competitive terms with physicians, hospitals and other service professionals; regulatory and other risks associated with the pharmacy benefits management industry; failure to maintain effective and efficient information systems, which could result in the loss of existing customers, difficulties in attracting new customers, difficulties in determining medical costs estimates and appropriate pricing, customer and physician and health care professional disputes, regulatory violations, increases in operating costs, or other adverse consequences; possible impairment of the value of our intangible assets if future results do not adequately support goodwill and intangible assets recorded for businesses that we acquire; potential noncompliance by our business associates with patient privacy data; misappropriation of our proprietary technology; failure to complete or receive anticipated benefits of acquisitions; change in debt to total capital ratio that is lower or higher than we anticipated; and the potential impact of the adverse conditions in the global economy and extreme disruption of financial markets on our revenues, sources of liquidity, investment portfolio, and our results of operations.

This list of important factors is not intended to be exhaustive. A further list and description of some of these risks and uncertainties can be found in our reports filed with the Securities and Exchange Commission from time to time, including the cautionary statements in our annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. Any or all forward-looking statements we make may turn out to be wrong. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. We do not undertake to update or revise any forward-looking statements.