

circumstances. Additionally, at any time before or after the completion of the merger, notwithstanding expiration of the applicable waiting period, any state could take action under its antitrust laws as it deems necessary or desirable in the public interest. There can be no assurance that a challenge to the merger will not be made or that, if a challenge is made, Oxford and UnitedHealth Group will prevail.

Pursuant to the New York, California, New Jersey and Connecticut insurance laws and the New York and New Jersey health laws, and in order to consummate the merger, each of the Commissioners or Superintendents of Insurance in New York, California, New Jersey and Connecticut and the New York Commissioner of Health must approve UnitedHealth Group's acquisition of control of Oxford's insurance companies and health maintenance organizations. Oxford will also need to amend its Certificate of Authority for Oxford Health Plans (NJ), Inc. in the State of New Jersey. To obtain these approvals, UnitedHealth Group has filed acquisition of control or similar applications, as required by the insurance and health laws and regulations of each state. Before UnitedHealth Group's Form A acquisition of control filings can be approved in New Jersey and Connecticut, the New Jersey Commissioner of Banking and Insurance and the Connecticut Commissioner of Insurance must hold public hearings on such applications. There can be no assurance that any of these local authorities will grant the necessary approvals or consents in order for the merger to be completed.

As previously reported in Oxford's Form 10-K for the year ended December 31, 2003, the New York State Insurance Department, referred to as the NYSID, sought information from Oxford regarding the Alliance Agreement between Oxford and Medco Health Solutions, Inc., referred to as Medco, effective January 1, 2002, pursuant to which Oxford furnished and continues to furnish de-identified claim information as well as strategic consultative and other services to Medco over the term of the agreement. The NYSID has expressed the view that some portion of the \$50 million received by Oxford for the sale of data should be considered in the calculation of future premium rates of Oxford's New York regulated subsidiaries. In the event the NYSID's view prevails, then such calculation may have the effect of reducing such future premium rates. Oxford disagrees with the view of the NYSID and discussions continue between the parties.

Material U.S. Federal Income Tax Consequences of the Merger

The following is a discussion of the material U.S. federal income tax consequences of the merger to Oxford stockholders who exchange their shares of Oxford common stock for shares of UnitedHealth Group common stock and cash in the merger. This discussion addresses only Oxford stockholders who hold their shares of Oxford common stock as capital assets. It does not address all of the U.S. federal income tax consequences that may be relevant to a particular Oxford stockholder in light of that stockholder's individual circumstances or to an Oxford stockholder who is subject to special rules, such as, without limitation:

- a partnership, subchapter S corporation or other pass-through entity;
- a foreign person, foreign entity or U.S. expatriate;
- a mutual fund, bank, thrift or other financial institution;
- a tax-exempt organization or pension fund;
- an insurance company;
- a trader in securities that elects mark-to-market;
- a dealer in securities or foreign currencies;
- a stockholder who received his or her shares of Oxford common stock through a benefit plan or a tax-qualified retirement plan or through the exercise of employee stock options or similar derivative securities or otherwise as compensation;
- a stockholder who may be subject to the alternative minimum tax provisions of the Code;
- a stockholder whose functional currency is not the U.S. dollar;
- a stockholder who exercises dissenters' rights; and
- a stockholder who holds Oxford common stock as part of a hedge, appreciated financial position, straddle, synthetic security, conversion transaction or other integrated investment.

The following discussion is based on the Code, applicable Treasury regulations, administrative interpretations and court decisions, each as in effect as of the date of this proxy statement/prospectus and all of

which are subject to change, possibly with retroactive effect. It is not binding on the Internal Revenue Service, referred to as the IRS. In addition, this discussion does not address any tax consequences arising under the laws of any state, locality or foreign jurisdiction.

Oxford stockholders should consult their own tax advisors as to the specific tax consequences to them of the merger in light of their particular circumstances, including the applicability and effect of U.S. federal, state, local, foreign and other tax laws.

Oxford and UnitedHealth Group each anticipate that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Code. It is a condition to the completion of the merger that Oxford receive a written opinion from Sullivan & Cromwell LLP and UnitedHealth Group receive a written opinion from Skadden, Arps, Slate, Meagher & Flom LLP, in each case dated as of the effective date of the merger, both to the effect that the merger will qualify as such a reorganization. Oxford's and UnitedHealth Group's conditions relating to these tax opinions are not waivable following the adoption of the merger agreement by Oxford stockholders without reapproval by Oxford stockholders (with appropriate disclosure), and neither Oxford nor UnitedHealth Group intends to waive this condition. The opinions will rely on assumptions, including assumptions regarding the absence of changes in existing facts and law and the completion of the merger in the manner contemplated by the merger agreement, and representations and covenants made by Oxford, UnitedHealth Group and Ruby Acquisition, including those contained in representation letters of officers of Oxford, UnitedHealth Group and Ruby Acquisition. If any of those representations, covenants or assumptions is inaccurate, counsel may not be able to render the required opinions and the tax consequences of the merger could differ from those discussed here. An opinion of counsel represents counsel's best legal judgment and is not binding on the IRS or any court, nor does it preclude the IRS from adopting a contrary position. No ruling has been or will be sought from the IRS on the U.S. federal income tax consequences of the merger.

Exchange of Oxford Common Stock for UnitedHealth Group Common Stock and Cash

Assuming that the merger qualifies as a reorganization within the meaning of Section 368(a) of the Code, the material U.S. federal income tax consequences to an Oxford stockholder of the exchange of Oxford common stock for UnitedHealth Group common stock and cash pursuant to the merger will be as follows:

- an Oxford stockholder generally will, for U.S. federal income tax purposes, recognize gain, but not loss, equal to the lesser of (1) the excess, if any, of the fair market value of the UnitedHealth Group common stock and the amount of cash received by the stockholder over that stockholder's adjusted tax basis in the Oxford common stock exchanged in the merger or (2) the amount of cash received by the stockholder in the merger (excluding cash received in lieu of fractional shares, which will be taxed as discussed below);
- the gain recognized by an Oxford stockholder in the merger generally will constitute capital gain, unless, as discussed below, the stockholder's receipt of cash has the effect of a distribution of a dividend for U.S. federal income tax purposes, in which case the stockholder's gain will be treated as ordinary dividend income to the extent of the stockholder's ratable share of accumulated earnings and profits as calculated for U.S. federal income tax purposes;
- any capital gain recognized by an Oxford stockholder generally will constitute long-term capital gain if the stockholder's holding period for the Oxford common stock exchanged in the merger is more than one year as of the date of the merger, and otherwise will constitute short-term capital gain;
- the aggregate tax basis of the shares of UnitedHealth Group common stock received by an Oxford stockholder (including, for this purpose, any fractional share of UnitedHealth Group common stock for which cash is received) in exchange for Oxford common stock in the merger will be the same as the aggregate tax basis of the stockholder's Oxford common stock exchanged therefor, decreased by the amount of cash received by the stockholder in the merger (excluding any cash received in lieu of a fractional share) and increased by the amount of gain recognized by the stockholder in the merger (including any portion of the gain that is treated as a dividend and excluding any gain recognized as a result of cash received in lieu of a fractional share); and

- the holding period of the shares of UnitedHealth Group common stock received by an Oxford stockholder in the merger will include the holding period of the stockholder's Oxford common stock exchanged in the merger.

Potential Treatment of Cash as a Dividend

In general, the determination of whether gain recognized by an Oxford stockholder will be treated as capital gain or a dividend distribution will depend upon whether, and to what extent, the merger reduces the Oxford stockholder's deemed percentage stock ownership interest in UnitedHealth Group. For purposes of this determination, an Oxford stockholder will be treated as if the stockholder first exchanged all of its Oxford common stock solely for UnitedHealth Group common stock (instead of the combination of UnitedHealth Group common stock and cash actually received) and then UnitedHealth Group immediately redeemed a portion of that UnitedHealth Group common stock in exchange for the cash the stockholder received in the merger. The gain recognized in the exchange followed by the deemed redemption will be treated as capital gain if, with respect to the Oxford stockholder, the deemed redemption is "substantially disproportionate" or "not essentially equivalent to a dividend."

In general, the deemed redemption will be "substantially disproportionate" with respect to an Oxford stockholder if the percentage described in (2) below is less than 80% of the percentage described in (1) below. Whether the deemed redemption is "not essentially equivalent to a dividend" with respect to an Oxford stockholder will depend on the stockholder's particular circumstances. In order for the deemed redemption to be "not essentially equivalent to a dividend," the deemed redemption must result in a "meaningful reduction" in the Oxford stockholder's deemed percentage stock ownership of UnitedHealth Group common stock. In general, that determination requires a comparison of (1) the percentage of the outstanding voting stock of UnitedHealth Group that the Oxford stockholder is deemed actually and constructively to have owned immediately before the deemed redemption by UnitedHealth Group and (2) the percentage of the outstanding voting stock of UnitedHealth Group actually and constructively owned by the stockholder immediately after the deemed redemption by UnitedHealth Group. In applying the foregoing tests, a stockholder may, under constructive ownership rules, be deemed to own stock in addition to stock actually owned by the stockholder, including stock owned by other persons and stock subject to an option held by such stockholder or by other persons. Because the constructive ownership rules are complex, each Oxford stockholder should consult its own tax advisor as to the applicability of these rules. The IRS has indicated that a minority stockholder in a publicly traded corporation whose relative stock interest is minimal and who exercises no control with respect to corporate affairs is considered to have a "meaningful reduction" if that stockholder has any reduction in its percentage stock ownership under the foregoing analysis.

Cash Received in Lieu of a Fractional Share

To the extent that an Oxford stockholder receives cash in lieu of a fractional share of common stock of UnitedHealth Group, the stockholder will be deemed to have received that fractional share in the merger and then to have received the cash in redemption of that fractional share. The stockholder generally will recognize gain or loss equal to the difference between the cash received and the portion of the stockholder's tax basis in the shares of Oxford common stock surrendered allocable to that fractional share. This gain or loss generally will be long-term capital gain or loss if the holding period for those shares of Oxford common stock is more than one year as of the date of the merger.

Backup Withholding

Backup withholding at the applicable rate may apply with respect to certain payments, including cash received in the merger, unless an Oxford stockholder (1) is a corporation or is within certain other exempt categories and, when required, demonstrates this fact, or (2) provides a correct taxpayer identification number, certifies as to no loss of exemption from backup withholding and otherwise complies with applicable requirements of the backup withholding rules. An Oxford stockholder who does not provide its correct taxpayer identification number may be subject to penalties imposed by the IRS. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against the stockholder's U.S. federal income tax liability, provided the stockholder furnishes certain required information to the IRS.

Reporting Requirements

An Oxford stockholder will be required to retain records pertaining to the merger and will be required to file with such Oxford stockholder's U.S. federal income tax return for the year in which the merger takes place a statement setting forth certain facts relating to the merger.

TAX MATTERS REGARDING THE MERGER ARE VERY COMPLICATED, AND THE TAX CONSEQUENCES OF THE MERGER TO ANY PARTICULAR OXFORD STOCKHOLDER WILL DEPEND ON THAT STOCKHOLDER'S PARTICULAR SITUATION. OXFORD STOCKHOLDERS ARE STRONGLY URGED TO CONSULT THEIR OWN TAX ADVISORS REGARDING THE SPECIFIC TAX CONSEQUENCES OF THE MERGER, INCLUDING TAX RETURN REPORTING REQUIREMENTS, THE APPLICABILITY OF FEDERAL, STATE, LOCAL AND FOREIGN TAX LAWS AND THE EFFECT OF ANY PROPOSED CHANGE IN THE TAX LAWS TO THEM.

Accounting Treatment

UnitedHealth Group intends to account for the merger under the purchase method of accounting for business combinations.

Dissenters' or Appraisal Rights

You will be entitled to exercise appraisal rights as a result of the merger. In order to exercise your appraisal rights, you must follow the requirements of Delaware law. Under these requirements, you must notify Oxford of your intent to exercise your appraisal rights before the vote to adopt the merger agreement. See "Appraisal Rights for Oxford Stockholders" beginning on page 87.

Restrictions on Sale of Shares by Affiliates of Oxford and UnitedHealth Group

The shares of UnitedHealth Group common stock to be received by Oxford's stockholders in connection with the merger will be registered under the Securities Act and will be freely transferable, except for shares of UnitedHealth Group common stock issued to any person who is deemed to be an affiliate of either Oxford or UnitedHealth Group at the time of the special meeting. Persons who may be deemed to be affiliates include individuals or entities that control, are controlled by, or are under common control with either Oxford or UnitedHealth Group and may include the executive officers and directors, as well as the principal stockholders, of both companies. Affiliates may not sell their shares of UnitedHealth Group common stock acquired in connection with the merger except pursuant to:

- an effective registration statement under the Securities Act covering the resale of those shares;
- in accordance with Rule 145 under the Securities Act; or
- an opinion of counsel or under a "no action" letter from the Securities and Exchange Commission, referred to as the SEC, that such sale will not violate or is otherwise exempt from registration under the Securities Act.

The merger agreement requires Oxford to use its reasonable efforts to cause each of its affiliates to execute a written agreement to the effect that such person will not offer to sell or otherwise dispose of any of the shares of UnitedHealth Group common stock issued to such person in or pursuant to the merger except in compliance with the Securities Act and the rules and regulations promulgated by the SEC thereunder. UnitedHealth Group's registration statement on Form S-4, of which this proxy statement/prospectus forms a part, may not be used in connection with the resale of shares of UnitedHealth Group common stock received in the merger by affiliates.

Stock Market Listing

An application for listing the shares of UnitedHealth Group common stock to be issued in the merger on the New York Stock Exchange was filed with the New York Stock Exchange on May 26, 2004. If the merger is completed, Oxford common stock will be delisted from the New York Stock Exchange and will be deregistered under the Exchange Act.