UnitedHealthcare

OVERVIEW

Helping people live healthier lives and helping make the health system work better for everyone

At UnitedHealthcare, we serve people through every stage of their lives, from childhood and youth through their working lives and into retirement. Our mission is to help people live healthier lives and help make the health system work better for everyone. We deliver value to consumers, providers, and our employer and government customers through a series of strategies focused on better outcomes, a distinctive, more satisfying experience and lower cost.

Every day, thousands of UnitedHealthcare employees interact with the people we serve. They take time to understand consumers' needs and become true partners in facilitating their care. This focus on people's health and care is helping us deliver a patient-centric, higher-quality and differentiated health care experience for people, characterized by simplicity, compassion and collaboration across the health system.

UnitedHealthcare harnesses claims, demographic and clinical data on nearly 240 million individuals to improve health care decision-making.

Through our long-standing partnership with Optum, we harness the claims, demographic and clinical data for nearly 240 million individuals to help us better understand what consumers and customers want and need, and help us support them in improving health care decision-making. Data analytics and leading technology are critical ingredients in the delivery of distinct value to everyone we serve. The market's recognition of the value we deliver is producing strong, sustained growth and positions us well to serve more people in more ways in a rapidly expanding and evolving health benefits marketplace.

Positioned for Growth

Today, UnitedHealthcare serves 52 million individuals globally, delivering value to people in all stages of life, at all income levels, through all major health benefits segments. Since 2010 UnitedHealthcare has produced one of the strongest periods of growth for any company in health care, growing organically by more than 8 million people. In 2018, we expect to grow by an additional 2.2 million people driven by strength in Medicare Advantage and our combination with Banmédica in Chile, Colombia and Peru.

UnitedHealthcare has grown organically to serve over 8 million more people since 2010.

In 2019 and beyond, we see potential for sustained growth across the markets we serve, particularly in expanding government programs. Today, we serve nearly 12.5 million seniors through our Medicare products. Our programs reduce health system complexity for seniors, making health care simpler by anticipating their needs and empowering them to take action. In Medicaid, more states continue to migrate to managed care to improve health outcomes and control costs, particularly for the benefit of higher-acuity patients. Under our patient-centered care model, our community health workers build relationships and connect people to a team of care specialists. This approach has enabled us to become a market leader in serving complex care populations, even as we help states confront the broader social determinants of nutrition, housing, transportation, and education – all of which affect the long-term cost of health care.

Creating a More Personalized, Simple Experience for Consumers

As consumers take on greater responsibility for their health care and its costs, they need accessible, transparent information and an experience that is simple, personalized, predictable and dependably high in quality.

We continue to deepen our understanding of consumers and engage with them on a more sophisticated, yet increasingly simpler level, providing the right information at an actionable time and place, while anticipating their future needs. We use integrated models and new technology to help get at the root of people's underlying health issues, not only to improve their health, but their overall quality of life. We are doing this by combining UnitedHealthcare's decades of clinical experience with Optum's unparalleled claims, treatment and pharmacy data, analyses and practical information.

In 2018, UnitedHealthcare launched Navigate4Me, a service that offers a personalized, one-to-one relationship between a senior and a trusted advisor to help navigate the complex and fragmented health care experience. Over 700,000 of our Medicare beneficiaries are now covered by this next-generation service, and in 2019, we plan to continue to scale and expand coverage to more than 1.2 million senior consumers. This high-touch service is creating deeply personal and caring relationships with the people we serve and driving extremely high consumer satisfaction, as measured by Net Promoter System (NPS).

Navigate4Me, which offers seniors a personalized, one-to-one relationship with a trusted advisor to help navigate the complex health care experience, will scale to cover more than 1.2 million individuals in 2019.

We are also enabling people to make better choices about their health by developing and applying digital tools and data in the flow of their health decision-making. And we combine that information with the transparency, incentives and support consumers need to understand the costs of care, its quality and ways to affordably finance the best care. For instance, through Rally, our digital consumer platform, we engage individuals, allow them to easily assess their health status and select relevant clinical, wellness and financial programs that cater to their personal health goals – such as pregnancy support, behavioral health and weight loss. These personalized programs, matched with incentives and support, are helping people develop healthier lifestyles.

UnitedHealthcare Motion is a leading wearable device wellness program, using wearable technology and the resulting data for real-time health analytics, as well as proactive outreach to members, empowering and incentivizing them to achieve their health goals. Since its inception, UnitedHealthcare Motion participants have collectively walked more than 237 billion steps. The program has helped thousands of companies develop a culture of wellness and more effectively manage health care costs.

Our innovative care models engage people and support their health by redefining the way care is accessed and delivered at the local level. Offerings range from high-touch services, such as in-home visits through our HouseCalls program, which will perform 1.4 million total HouseCalls this year, to one-on-one virtual telehealth appointments for quick, convenient access to care. Our more than 85,000 in-house clinical professionals – including doctors, nurses, pharmacists, and social workers across UnitedHealthcare and Optum – collaborate to help ensure people receive their care providers' recommended preventive and ongoing care. They also support patients during and after hospitalizations. This personalized approach to care management has contributed to a long-term trend of flat to lower inpatient utilization among UnitedHealthcare's enrollees.

Through a focus on serving one person at a time, we are personalizing health care, driving down costs and developing innovative products and services to improve the consumer health care experience.

Partnering With Care Providers Even More Effectively

The role of care providers has always been – and continues to be – to provide the best care, guidance and treatment possible for their patients even as their vital work is evolving.

We are partnering closely with care providers to help them manage through changes in ways that, first and foremost, work for them. Progressive care providers – from major hospital systems to single physician practices – are intensely focused on delivering better medical outcomes at lower costs. We increasingly find ourselves on the "same side of the table" with these care provider partners as we align and collaborate on our common health care mission. By working with visionary care providers and forming collaborative relationships, we can more rapidly increase the pace of positive change in the U.S. health care system and create effective, enduring connections between those who receive or purchase care and those who provide care, with the goal of increasing value for all stakeholders.

We believe that value in health care improves when the quality of care and the experience improves, and the total cost of care and operating costs decrease. UnitedHealthcare is continuing to disrupt the current paradigm by evolving care provider relationships from transactional and volume-based to strategic cooperation focused on higher-quality, higher-value health outcomes. And the opportunity is significant – we aim to reduce medical and operating costs by billions of dollars over the next few years. This progress is demonstrated by over 1,000 UnitedHealthcare Accountable Care Organizations (ACOs), delivering meaningful results and better health to more than 16 million of our members. Our top-performing ACOs have reduced acute hospital admissions per 1,000 by 17 percent, reduced emergency visits per 1,000 by 14 percent, and increased cancer screenings by 8 percent. ACOs serving our employer-sponsored plan participants perform better than non-ACOs on nearly 90 percent of the quality metrics tracked, while reducing costs by up to 12 percent.

UnitedHealthcare is delivering meaningful results and better health to more than 16 million people through more than 1,000 ACOs.

In addition to supporting the transition to value-based care, our data and technology are aligning disparate parts of the health care system for care providers to help them deliver more cohesive and coordinated medical treatment, ensure timely preventive care and close gaps in care, especially for seniors and those with complex, chronic medical conditions. Every time we close a gap in care we improve health outcomes and help people lead lives just a little more fully.

This integrated, holistic approach helps care providers make better decisions for their patients' care and overall well-being, delivering higher value and lower costs to individuals and the system overall.

PreCheck MyScript, for example, is an unmatched digital solution – leveraging UnitedHealthcare/OptumRx integrated data capabilities – that enables real-time, patient-specific prescription drug coverage detail and cost transparency at the time of prescribing. This helps eliminate cost surprises for members at the pharmacy and reduces the administrative burden for care provider partners by simplifying the prior authorization process. Currently, PreCheck MyScript is serving nearly 115,000 care providers across the nation, and since introduction has been used in millions of transactions. Approximately 30 percent of prior authorizations were avoided or initiated electronically, making it easier for people to fill their prescriptions. This technology is disrupting the way prior authorizations have been done in the past, improving cost transparency and simplifying the consumer and care provider experience at the point of service.

PreCheck MyScript enables real-time patient-specific prescription drug coverage detail and cost transparency at the time of prescribing, and since introduction has been used in millions of transactions.

Focus on Creating Distinction Positions Us for Continued Growth

UnitedHealthcare has consistently produced balanced, vibrant growth, serving increasingly diverse markets. Among these growing market segments are Medicaid, including people needing long-term services and supports and dual eligible individuals; seniors, including Medicare Advantage and Part D plans, as well as employer-sponsored retiree groups; large national employers, along with medium and small employer groups; and emerging markets, like global health benefits, social services, personalized wellness and caregiver services. In South America we provide private market health benefits and care delivery, including high-quality hospitals, bringing experience from the U.S. and understanding of local context to improve health system performance.

Today, UnitedHealthcare contributes to the productivity and success of the health system overall, far beyond the role of a traditional payer. To do so, each day we must earn the trust and respect of consumers, care providers, our customers and all the constituents in health care. Through greater simplicity, partnerships and a focus on our mission, we expect to create a compelling and differentiated experience for people, leading to deeper relationships and loyalty and continued growth across our businesses. Working in partnership with Optum, we are helping create a more sustainable health care system – one that is connected, aligned and more affordable for everyone, delivering high-quality care centered on the needs of each person.

UnitedHealthcare Employer & Individual OVERVIEW

FAST FACTS

>$1T
Annual domestic spending on employer and individual health benefits

~175M
People served in the U.S. market for employer and individual health benefits

~28M
People served by UnitedHealthcare Employer & Individual

>250K
Employer customers of all sizes, across all 50 states

~1.3M
Organic growth in UnitedHealthcare Employer & Individual fully insured group membership from 2015 – 2018

125
UnitedHealthcare Employer & Individual ACOs, up from approximately 100 in 2017

UnitedHealthcare Employer & Individual offers a comprehensive array of consumer-oriented health benefit plans and services nationwide for large national employers, public sector employers, mid-sized employers, small businesses and individuals.

Nearly 27 million Americans rely on UnitedHealthcare Employer & Individual through its fully insured and self-funded medical plans. Including alliance partners, this business provides medical services for nearly 28 million people. This includes more than 250,000 employer customers, of all sizes, across all 50 states.

- **National Accounts** provides customized administrative, benefits and service solutions to more than 10 million people through large, multi-location employers and other benefits sponsors with more than 3,000 employees.
- **Public Sector** provides health benefits and services to 3.3 million people through municipalities, educational institutions and labor unions with more than 1,000 employees.
- **Key Accounts** provides health benefits and services to 8.8 million people through mid-sized and large employers with 100 to 3,000 employees, as well as larger employers with service needs confined to a single state.
- **Small Business** provides health benefits and services to 3.8 million people through local businesses employing two to 99 individuals.
- **The Individual Business** provides health benefits and related services to nearly 500,000 people.
- **UnitedHealthcare Specialty Benefits** provides coverage at a product level to 32 million people, including dental, vision, hearing, life, critical illness and short-term disability.

UnitedHealthcare Medicare & Retirement OVERVIEW

FAST FACTS

>$800B
Projected Medicare spending in 2019

>10K
Baby boomers aging into Medicare daily

1 in 5
Seniors in the nation served through UnitedHealthcare Medicare plans

~70M
Gaps in care closed for UnitedHealthcare Medicare Advantage members since 2013

~80%
UnitedHealthcare Medicare Advantage members in four-star plans or higher for 2019 payment year

1.4M
HouseCalls performed enterprisewide in 2018

UnitedHealthcare Medicare & Retirement is dedicated to serving the growing health and well-being needs of individuals over the age of 50. Through a comprehensive and diversified array of products and services, UnitedHealthcare Medicare & Retirement helps nearly 12.5 million people manage their health.

This business offers products, services and programs designed to meet the individual needs of members, as well as their families, physicians and communities. The portfolio of UnitedHealthcare Medicare & Retirement products includes:

- **Medicare Advantage Plans.** UnitedHealthcare Medicare & Retirement serves 4.9 million people through a variety of plans and a full scope of value-added services and clinical programs.
- **Medicare Part D Plans.** UnitedHealthcare Medicare & Retirement offers Medicare prescription drug benefits on a stand-alone basis, serving 4.7 million people throughout the U.S. and its territories. UnitedHealthcare Part D plans cover thousands of brand-name and generic prescription drugs that are most commonly used by people on Medicare, resulting in access, savings, stability and peace of mind for seniors.
- **Medicare Supplement.** Under a long-standing relationship with AARP, UnitedHealthcare Medicare & Retirement serves 4.9 million individuals through various Medicare Supplement and other supplemental products for people age 50 and older.
- **Retiree Services.** UnitedHealthcare Retiree Solutions provides employers with high-quality, affordable health care solutions for 2 million retirees. UnitedHealthcare leverages cost-effective health care delivery systems and superior networks to provide optimal health outcomes and cost savings for employers and their retirees. Group plans include Medicare Advantage, Medicare Supplement and Medicare Part D. UnitedHealthcare also offers a private exchange-like solution for employers looking to transition their retirees from traditional group-sponsored plans to individual retiree products.

UnitedHealthcare Community & State OVERVIEW

FAST FACTS

>$650B
Projected Medicaid spending in 2019

50%
Medicaid spend currently in managed care

>15%
UnitedHealthcare Community & State CAGR in revenues from 2014 to 2018

>100
Specific state programs served

>700K
People served by UnitedHealthcare in Dual Special Needs Plans (DSNP)

3.5M
Care coordination touch points annually from nearly 3,500 care coordinators

UnitedHealthcare Community & State is one of the largest health benefits companies dedicated to providing diversified health care benefit products and services to state programs that care for the economically disadvantaged, the medically underserved and those without the benefit of employer-funded health care coverage.

This business participates in full-risk programs in 30 states and the District of Columbia, serving 6.6 million people by facilitating care in all market segments with offerings specifically designed to serve each of them. The primary categories of eligibility and participation by UnitedHealthcare are:

- **Temporary Assistance to Needy Families (TANF).** Primarily provided to women, children and families with high-prevalence and chronic illnesses. Currently serving over 3.8 million people across 24 states.
- **Children's Health Insurance Program (CHIP).** Provided to children not covered by commercial insurance and not eligible for Medicaid. Currently serving 270,000 children across 23 states.
- **Aged, Blind and Disabled (ABD).** Medical assistance programs for individuals who are age 65 or older, blind or disabled. Currently serving nearly 400,000 people in 21 states.
- **Long-Term Services and Supports (LTSS).** Medicaid programs for the long-term care population, including home and community based services to support living outside a nursing facility. Currently serving 255,000 people across 12 states.
- **Medicaid Expansion.** Participating in Medicaid expansion under the Affordable Care Act (ACA). Currently serving 1.1 million people across 15 states.
- **Medicare and Medicaid Plans (MMP).** Provided for individuals who are enrolled in both Medicaid and Medicare. Currently serving 30,000 people in two states.
- **Dual Special Needs Plans (DSNP).** Services for individuals who often have multiple chronic conditions and limited incomes and are eligible for Medicare and Medicaid. Currently serving 700,000 people in 30 states across UnitedHealthcare.
- **Individuals with Intellectual/Developmental Disabilities (I/DD).** Programs that cover many everyday social and practical skills for individuals with limitations in intellectual functioning and adaptive behavior. Currently serving 25,000 people across four states.
- **Administrative Services Only.** Currently serving 150,000 people in one state.

UnitedHealthcare Global OVERVIEW

FAST FACTS

$4.4T
Global health care market outside of the $3.4 trillion U.S. market

1.7B
Projected global growth of the middle class by 2030 – almost all from emerging markets

>1.2M
Worldwide care providers across UnitedHealthcare

~$10B
UnitedHealthcare Global estimated 2018 revenue

7,200
UnitedHealthcare Global owned hospital beds in five countries

UnitedHealthcare Global serves more than 7 million people with medical and dental benefits in more than 130 countries around the world. This business is uniquely positioned to address global health care challenges and create value by combining distinctive enterprise capabilities with local market understanding. UnitedHealthcare Global is working to create a global health care system that is more connected, more aligned and more affordable.

UnitedHealthcare Global serves multinational and local businesses, governments, insurers and re-insurers, and individuals and their families with the following offerings:

- Health insurance plans for local populations
- Direct delivery of health care services through hospitals, clinics and physician practices
- Benefit plans for multinational employers and individuals
- Risk and assistance solutions

Where UnitedHealthcare Global Operates

Brazil. UnitedHealth Group Brasil delivers high-quality health care, health and well-being services, and insurance plans to local populations and health systems. Direct health care services are delivered through 35 hospitals and approximately 100 clinics and outpatient centers. Its entities have served people across Brazil for more than 35 years. Today, the company operates under three distinct platforms: Amil, Americas Serviços Médicos and Optum Brazil.

- **Amil.** Provides a full spectrum of health benefits to 4 million people through a broad network of owned and affiliated clinics, hospitals and care providers. Dental benefits are also provided to 2 million people.
- **Americas Serviços Médicos.** Delivers health care through a network of hospitals and ambulatory clinics and specialty care centers, serving both Amil members and the external market.
- **Optum Brazil.** Offers unique skills in collecting, managing and analyzing data, and the capability to translate data into actionable information.

Chile, Colombia and Peru. Empresas Banmédica provides health benefits and health care services to more than 2 million people, and provides quality care at 13 high-complexity hospitals and 115 clinics and outpatient centers.

Portugal. Lusíadas Saúde provides a complete range of clinical services through seven hospitals and six outpatient centers, including the award-winning Hospital de Cascais that is operated through a public-private partnership with the Portuguese government.

Global Solutions. UnitedHealthcare Global Solutions serves globally mobile populations including expatriates, business travelers and individuals traveling for leisure. Access to care is provided in more than 130 countries through a broad network of prescreened health care providers, hospitals and clinics. UnitedHealthcare Global Solutions protects the well-being of these people through a range of safety and security, destination intelligence and medical assistance services.

UnitedHealthcare

UnitedHealthcare's myConnections addresses social needs that contribute to poor health, increased utilization and higher health care spending. Early findings demonstrate that the myConnections Housing First Plus solution is helping curb health care costs and improve outcomes for the most vulnerable members. Above, Amy and her baby, Angel, residents of the myConnections integrated care housing community in Phoenix, meet with their myConnections health coach.

UnitedHealthcare Q & A

Q: What is driving UnitedHealthcare's growth?

We believe we offer differentiated value and stronger levels of satisfaction and loyalty through our wide range of innovative benefit products and supporting information, technologies and services across both North and South America.

UnitedHealthcare connects and integrates care providers, consumers and health benefits, reducing the cost of care for the people we serve and consistently driving market-leading growth. In recent years, expansion in state Medicaid programs, the growing needs of individuals requiring long-term services and supports and dual eligible populations, continued growth in Medicare, and additional opportunities in South America and abroad have created new markets for UnitedHealthcare to serve millions more people.

UnitedHealthcare's membership growth also has been the result of listening to customers and consumers and delivering on their priorities. For both, affordable benefits are at the center of their decisions. For consumers, UnitedHealthcare connects with individuals, providing solutions and choice for how they access care and balance premiums and deductibles. And, for customers, better cost control strategies, health management and improved quality, integrated with enhanced consumer experiences has made UnitedHealthcare the preferred partner in the marketplace.

UnitedHealthcare is the fastest growing health benefits company in the U.S. Today we serve 52 million people domestically and internationally through our market-facing businesses. Since 2010, we have grown to serve 16 million additional people – including more than 8 million more commercial members in the U.S. and abroad, nearly 4.7 million more Medicare Advantage and Medicare Supplement members and over 3 million additional Medicaid members – with organic growth accounting for more than half that increase in enrollment.

With an estimated 85 million people representing more than $1 trillion in annual health care spending still not served through managed care in the United States alone, UnitedHealthcare is well-positioned for continued growth. New markets also continue to emerge around areas like social determinants, specialty and supplemental coverages and global opportunities.

Q: What is UnitedHealthcare doing to improve health care affordability for employer and government plan sponsors?

UnitedHealthcare helps improve affordability by collaborating with care providers to deliver the highest-quality, most effective and efficient care at the appropriate site of service. We offer innovative benefits and performance-based care provider networks tailored to unique consumer needs and deploy tools and supportive clinical programs to empower consumers to make better, more informed choices and decisions.

UnitedHealthcare is leading the transition to value-based payment models, paying for performance and quality outcomes as opposed to just the frequency or quantity of care. We are investing in our network of care providers and building distinctive relationships based on trust, collaboration and mutual respect. We share useful data with care providers to help them simplify and personalize care. And we offer our customers tiered networks built around high-performing care providers that address specific, local market needs for affordability and access.

In partnership with OptumRx, we are improving transparency of pharmacy pricing, while maintaining focus on managing drug costs. Point of sale discounts will be available directly to more than 7 million UnitedHealthcare commercial fully insured consumers and we continue to design our benefit plans to encourage people to use clinically equivalent lower-cost drug options when available. Clinical programs are in place for targeted medications to ensure appropriate coverage, including dose and duration of therapy based on clinical evidence. OptumRx continues to emphasize timely, convenient prescription delivery for consumers.

Product innovation further promotes consumer choice and affordability. We are offering more performance-based network products to allow consumers to select benefit designs to support their needs at the most affordable prices. The people we serve have access to digital tools and health coaches to empower them to make responsible decisions, encourage healthier behaviors and provide greater transparency into the cost of care.

Q. How would you describe the competitive environment for health care benefits across segments and markets?

UnitedHealthcare has successfully grown the business over the course of the last two decades to establish a strong market presence in each of our benefit categories. We have always viewed the market as competitive, so we continue to focus on delivering a distinctive value proposition to our customers and consumers reflected by consistently strong organic growth. The competitive environment differs across our domestic commercial, Medicare, Medicaid and global commercial businesses, as well as locally.

UnitedHealthcare has remained focused on providing stable, disciplined pricing and affordable plans in all U.S. markets, ranging from Small Business to National Accounts. While traditional competitors continue to rely on network discount analysis, UnitedHealthcare pushes forward to be more innovative in driving greater value for customers:

- **Total Cost of Care –** advancing the conversation to focus on total cost of care, which combines traditional discounts with the programs designed to reduce the overall cost of care for clients and members, including appropriate levels of utilization and best site of service for care.
- **Innovation –** bringing innovation and new products and capabilities to distinguish ourselves from our competitors and offer solutions not previously experienced by consumers and customers. For example, UnitedHealthcare Motion combines exercise goals and incentives, using tracking technology to help people create and sustain healthy activity habits. Bind is the first-ever on-demand health insurance model that provides coverage from the first dollar spent and allows consumers to add relevant coverage at any time throughout the year when they experience an adverse health factor.
- **Diversify –** advancing our growth by expanding into new markets, maximizing our Specialty Benefits and driving new distribution channels. The group employer market for health benefits continues to be competitive, but rational, with greater levels of price competition in some local markets. This has been our experience for many years.

In Medicare Advantage we've grown by approximately 1.7 million people served over the last three years. The Health Insurer Tax (HIT) deferral combined with CMS rates for 2019 resulted in meaningful benefit investments from most managed care organizations. We have seen competitors expand their Medicare Advantage footprint over the past few years and we expect this trend will continue in 2019.

In Community & State (Medicaid), we expect continued intense competition in Request for Proposals (RFP) in 2019 and beyond. The dependence of states on innovation and fiscal discipline of managed care has resulted in increased RFP activity, as states are looking to provide health care coverage to as many people as possible in effective ways. Although broad economic pressures continue to stress state budgets and the rate environment, the Medicaid market opportunity remains significant, with three-quarters of Medicaid program beneficiaries in managed care, accounting for only 50 percent of total Medicaid spending. We expect to see continued movement of more high-cost, complex populations being served by managed Medicaid and are uniquely distinguished in our ability to serve these individuals with complex needs. Further, we expect continued expansion of Medicaid coverages pursuant to the ACA.

Despite strong demand for access to private health care outside of the U.S., private health insurance market penetration is still in the early stages in the markets where we operate. Throughout the world, medical cost inflation is outpacing GDP growth. Access to enterprise capabilities and integrated health systems gives us an advantage in addressing this pressure. We are committed to advancing affordability over time, enabling us to reach and impact more stakeholders with affordable private (or public-private partnership) health benefits and services.

Q. How will absence of the Health Insurer Tax impact your business in 2019?

We have long been proponents of permanently repealing the Health Insurer Tax and view it as a mechanism that increases the cost of care for millions of people, in particular the nation's most vulnerable, and further destabilizes the health insurance market.

The tax creates some in-year and year-over-year earnings variability as it comes on and off. This year, the reintroduction of the tax created an earnings headwind due to the rate increase of the tax itself, continued market share gains in our benefits businesses, our inability to recover it from customers in our Medicare business, timing in the commercial business and the non-tax deductibility of the fee itself. We expect a smaller year-over-year tailwind to earnings in 2019 than the headwind we forecasted for 2018, as our effective income tax rate decreased significantly under corporate tax reform and we had earlier visibility on the tax removal for 2019 for commercial pricing purposes and Medicare product design and research and development investment decisions.

Q: What is UnitedHealthcare doing to differentiate its network capabilities around performance-based contracting and focused care provider networks?

UnitedHealthcare believes the transition to value-based care provides the best path to better health, better care and lower costs for everyone. We have 40 years of experience building new payment models and integrating clinical support to place greater focus on quality and improving health outcomes.

Recognizing that value-based care is not a one-size-fits-all approach for care delivery organizations, we offer care providers a full suite of performance-based contracts along the entire risk and accountability continuum, from pay-for-performance bonuses to ACOs. Our most effective care provider relationships are built around our value-based programs. This is where we have the highest degree of care provider integration and financial accountability. Network contracts representing nearly $70 billion of our health care spend have meaningful incentives currently tied to these value-based care providers.

Today, over 16 million individuals served by UnitedHealthcare access care from physicians in value-based arrangements. With more than 110,000 physicians and 1,100 hospitals committed to putting the consumer at the center of the health care experience, the shift from volume to value is delivering important results through these relationships.

At the most advanced end of the spectrum we currently have more than 1,000 ACOs in place across all business segments. Our internal clinical practice consultants act as liaisons between ACOs and our clinical teams to drive further integration and facilitate collaboration and coordination around population health management. Our top-performing ACOs have reduced acute hospital admissions per 1,000 by 17 percent, reduced emergency visits per 1,000 by 14 percent, and increased cancer screenings by 8 percent, while reducing costs by up to 12 percent.

UnitedHealthcare Employer & Individual

Q: What is the UnitedHealthcare Employer & Individual value proposition?

At UnitedHealthcare Employer & Individual, we are committed to delivering easy-to-use, affordable and effective health benefits to employers and individuals.

To help employers succeed, we deliver deep analytics and insights, as well as industry-leading health innovations. These help create affordable benefit strategies aimed at improving the health and productivity of their employees, helping to contribute to the long-term success of their organizations.

For consumers, we are focused on distinguishing our offerings in three areas:

- **Better Health.** We connect people to the nation's largest proprietary care provider network. We also work with those care providers to anticipate the needs of individuals and achieve better outcomes, manage chronic conditions or even prevent them from occurring, and deliver tools and information that help people stay engaged in their health.
- **Better Value.** We reduce the costs of benefits by expanding the use of evidence-based care and designing products, programs and easy-to-use digital tools that span a wide range of consumer needs.
- **Better Experience.** We make it simpler to find the right care, access physicians and specialists, pay for care and keep track of care with easy-to-use tools that tap into vast amounts of proprietary health data, helping individuals make more informed decisions.

Q: What are the market characteristics and growth opportunities for UnitedHealthcare's Employer & Individual business?

The employer and individual marketplace remains strong and vibrant, with 175 million people purchasing health care on their own or through their employers in a U.S. market with estimated annual health care expenditures of more than $1 trillion. We are seeing positive results from the substantial investments in quality-related initiatives and innovations that enable us to meet the needs of this dynamic marketplace.

Today, greater attention is placed on total employee well-being, inclusive of physical, emotional and financial health. There is strong employer interest in proven wellness programs, such as UnitedHealthcare Motion and Real Appeal, along with our other tools and services designed to increase consumer engagement and control costs. The UnitedHealthcare Motion program combines exercise goals with incentives, using tracking technology to help people create and sustain healthy activity habits; Real Appeal is an engaging weight management program focused on intensive lifestyle intervention. Both of these address the growing rate of metabolic disease to improve health, reduce cost and drive consumer satisfaction.

Among small and mid-sized employers, we expect to grow at a moderate pace by offering stable and competitive pricing, advancements in our service models and expanding Association Health Plan offerings. Other potential opportunities for growth include new and innovative benefit configurations such as "on-demand" health care coverage. Our investment in Bind Benefits, Inc., the first-ever on-demand health insurance model, provides coverage from the first dollar spent and allows consumers to add relevant coverage at any time throughout the year when they experience an adverse health factor. With our larger clients, UnitedHealthcare will continue to be differentiated through data and analytics and our unique ability to tie improvements in health engagement and outcomes back to improvements in our clients' business performance metrics and workforce productivity.

NPS continues to be a driving factor in how we operate and measure our results across the company. As a growth strategy, we strive to continually earn strong NPS scores for large employer groups and improve NPS scores for small and mid-sized employer groups. Proactive outreach combined with more immediate issue resolution and simpler, easier-to-use benefit designs is helping build more enduring relationships with these customers, creating trust and loyalty and higher NPS scores. The result is customer retention and business growth. In our local markets, improving our already strong NPS scores with brokers helps us earn the right to serve more customers.

Finally, we continue to expand our ancillary portfolio of dental, vision, hearing, financial protection, short-term fixed indemnity and third party administrator businesses. These benefits offer additional value to employers and consumers of all types, including those in Medicare and Medicaid programs.

Q: What are employer priorities around health care quality and cost, and how are you responding?

Employers expect measurable improvements in health care quality that will advance their employees' health while significantly lowering costs. Working together with Optum, we are supporting employers' needs by integrating five key areas to improve the total cost of care value proposition:

- **Modern Benefits.** Plan designs are organized around identifying and rewarding the use of high-performing care providers, including those who have committed to value-based relationships rather than the more traditional fee-for-service model. Our consumer focused benefit designs meet the individual where they are and provide employers with affordable options. We are promoting health care innovation locally, for example, with the newly launched Colorado Doctors Plan that is designed in collaboration with Centura Health. Built with the consumer experience in mind, we are combining our data and insights with Centura Health's medical network to deliver a more personalized experience through proactive outreach tools that help consumers find the right level of care in real time. Making it easier for consumers to access the care they need, delivered by high-performing care providers, leads to an improved care experience and lower total cost of care.
- **Consumer Engagement.** Our consumer personalization and digital engagement efforts increase consumer satisfaction, improve health and well-being, and deliver operating efficiencies. Through digital platforms like Rally, we offer tools, resources and services that make it easier for consumers to find and pay for quality health care and achieve better health. Digital onboarding tools empower people to take control of their care by providing options to select products, programs and communication preferences that best fit their lifestyles. Digital tools and platforms are used to increase consumer engagement. For example, we offer digital tools specific to women's health and the management of certain conditions like diabetes, and have deployed technology, like glucose monitoring devices, to inform and engage people.

- **Population Health.** Our plans offer personalized coaching, health and wellness programs, care management and engagement initiatives, and patient-centered clinical approaches that help better control health care costs and increase workplace productivity. Advancements in clinical models, including use of predictive modeling and analytics, allow us to better identify vulnerable individuals and assist them with personalized, evidence-based clinical interventions, such as identifying and closing gaps in care, providing assistance with scheduling medical appointments and using cost-effective network facilities that decrease their out-of-pocket costs.
- **Care Provider Alignment.** Network competitiveness remains a top priority. Close relationships with network care providers, integrated data and analytics, value-based payments and ACO partnerships and new care management programs help to better manage health across populations and help our customers improve health care quality and costs.
- **Pharmacy.** Employers are focused on controlling growing pharmacy costs. PreCheck MyScript provides real-time details to help improve the patient's experience and prevent unnecessary higher-cost medications at the point of prescription. It provides clarity up front by giving physicians patient-specific pharmacy information that will provide a better experience through transparent prices, timely prescriptions, less administrative time and cost, and most importantly, better patient care.

Q: How have you been able to grow commercial risk-based market share over the last few years?

Health care is local and so are we. Our distinctively local approach to growth means meeting the market's needs through a wide range of products, networks, innovations, pilot projects and value-added services across the business, all closely attuned to community health care needs.

Our solid and consistent growth performance in both the Small Business and Key Accounts segments stems from an ability to combine national resources and experience with locally relevant products and services:

- Flexibility to support a wide variety of distribution options allows customers to choose their own distribution channel and tailor benefits based on size, cost, funding arrangement, service relationships and other short- and long-term needs. Through value added services, we continue to strengthen our relationships with brokers, consultants, general agents, professional employment organizations and private equity and association partnerships.
- Small Group customers and their employees benefit from our strong value proposition. We are retaining our Small Group customers at record rates and growing market share, while maintaining disciplined and consistent pricing, reflecting our expected costs. This segment of the market, which often lacks the human resource expertise and capacity of larger firms, receives consistently affordable health care options from UnitedHealthcare to attract and retain workers and keep them healthy.
- Our local Key Accounts teams continue to serve our middle-market customers by offering unique capabilities to improve consumer engagement and control costs through our total cost of care value proposition. Programs such as UnitedHealthcare Motion provide financial rewards to people for increased activity and improved health, while technologies such as Health Plan Manager identify key medical cost drivers within populations and tailor dedicated benefits services to improve health outcomes.
- It is now easier for agents and customers to do business with UnitedHealthcare. Strong sales and account management execution, combined with new sales automation technologies, have driven increases in NPS scores for Key Accounts customers and brokers. Expedited onboarding delivers a simplified, hassle-free experience that enables access to innovative online services such as Advocate4Me and Rally.

Q: What factors influence commercial medical cost trend and what is your outlook for trend in 2019?

Macroeconomic impacts and health care policies can drive changes in utilization patterns. During a weak economy, consumers manage their out-of-pocket spending, which can lead to fewer elective procedures or a lower birth rate, and the converse is true in a growing economy.

We expect utilization of services to increase at a consistent rate in 2019. We plan to continue to mitigate medical cost increases with our medical management strategies, further adoption of value-based reimbursement and advancements in consumer decision-making due to their use of our market-leading engagement tools.

We expect unit cost to be a primary driver of total health care cost trend in 2019 and we will continue to align incentives with our network care providers in areas such as value-based payment arrangements, and manage out-of-network spending to address unit cost pressure. We expect commercial trend to be within a range of 6.0 percent +/- 50 basis points, which is a slight uptick from our current view of 2018.

Q: What is your outlook for operating margins in the UnitedHealthcare Employer & Individual business?

As expected, we experienced strong 2018 operating margins from broad-based performance across our business, and we expect 2019 margins to be relatively stable year-over-year. With the Health Insurer Tax moratorium in 2019, we expect the market will remain competitive, yet rational, and we will remain disciplined and consistent in our pricing approach. The operating margin for UnitedHealthcare Employer & Individual is embedded in the UnitedHealthcare segment that includes four businesses under the UnitedHealthcare brand – UnitedHealthcare Employer & Individual, UnitedHealthcare Medicare & Retirement, UnitedHealthcare Community & State and UnitedHealthcare Global. This group of companies had an aggregate operating margin of approximately 5.3 percent for the nine months ending September 30, 2018.

UnitedHealthcare Medicare & Retirement

Q: How have you positioned UnitedHealthcare Medicare & Retirement for continued success?

As Medicare grows and evolves, UnitedHealthcare Medicare & Retirement has the expertise, relationships and portfolio of products to continue to serve more seniors and advance our distinctive member experience.

First, we offer a broad portfolio of stable, market-leading products that span all Medicare product lines and give people a breadth of choices to meet their unique needs. This flexible, adaptable approach is key to serving individuals as the Medicare program and the people it serves change over time.

We continue to align our care provider networks and enhance our clinical programs around delivering quality outcomes with a focus on value-based care, transform our product portfolios and make thoughtful decisions about local market expansions, enhance relationships in our distribution channel and advance our value proposition. These changes increase the strength and stability of our offerings and our business, evidenced by 50 percent Medicare Advantage membership growth (1.7 million additional seniors served) from 2015 to 2018.

Second, we maintain relationships with organizations that share our commitment to serving the needs of seniors. In 2017, our exclusive Medicare relationship with AARP was extended to 2025, with options to 2030. Working with AARP contributes to our leadership in innovation and education in serving the growing senior population. Our ongoing partnership with Walgreens, a leading pharmacy retailer, positions us to introduce new products and to serve emerging consumer expectations as baby boomers age into Medicare.

Lastly, we are creating a health care experience for the seniors we serve that differentiates us from competitors. Our care management model, built on more than 20 years of experience, operates at a medical cost level well below that of fee-for-service Medicare, while helping people live healthier lives. Through our HouseCalls program, we estimate enterprisewide our nurse practitioners will perform 1.4 million in-home preventive care visits in 2018 to address unmet care opportunities and close gaps in care. HouseCalls contributes to a decline in overall hospital admissions, an increase in physician office visits and a decrease in long-term hospital stays for patients with chronic conditions. In-home visits also contribute to increased member satisfaction, affinity and retention.

Our innovative Navigate4Me program provides a single point of contact and a direct line of support for our most vulnerable members as they go through their toughest and most challenging health care experiences.

Through these programs and other initiatives, we are removing hassles for consumers, care providers and agents and driving loyalty, retention and growth, while achieving a best-in-class NPS score.

Q: What are the market characteristics and growth opportunities for UnitedHealthcare's Medicare & Retirement business?

UnitedHealthcare Medicare & Retirement remains a Medicare market leader across all Medicare products. With more baby boomers reaching retirement age, the number of people eligible for Medicare is projected to reach 72 million individuals by 2025, up from about 63 million today, with gross spending for Medicare expected to surpass $1.2 trillion by 2025, up from more than $800 billion projected for 2019. Medicare Advantage continues to be a popular choice, now serving more than one-third of those enrolled in Medicare. With the value our programs offer, seniors have rewarded us with rapid growth in recent years and 25 percent Medicare Advantage market share nationally. We believe UnitedHealthcare is positioned for strong growth as the Medicare Advantage market continues to expand and evolve.

We are developing new relationships with employers, union organizations, health care providers and nonprofit associations, and are expanding group retiree offerings with products that support stronger links between our commercial and senior businesses.

We see opportunities to work with the federal government to foster more cost-effective, higher-quality and more efficient health care for all Medicare beneficiaries. Our distinct competencies in data, care coordination, in-home primary health care and consumer-level health engagement should serve us well as we position our business to be consumers' plan of choice and strive to be the government's payer of choice.

Q: What are quality bonuses in Medicare Advantage and how are they impacting your business?

Beginning in 2012, the ACA directed the U.S. Department of Health and Human Services to establish a program to reward high-quality Medicare Advantage plans with a 5 percent revenue bonus payment and a lesser reduction in their share of federal rebate dollars. (Rebate dollars fund additional benefits beyond fee-for-service Medicare.) Congress instructed the Centers for Medicare and Medicaid Services (CMS) to measure Medicare Advantage plan quality using a Five-Star rating system.

Star ratings measure plans across 46 performance categories – including clinical outcomes, health plan operations and member satisfaction – on a scale of one to five, with five stars being the highest rating.

UnitedHealthcare is committed to improving all aspects of our Star ratings measurement and continues to work with CMS and others in the health care industry to improve the effectiveness of the Star ratings system.

Our commitment to the quality of care and improving the health care experience for people guides our long-term investments and drives our daily service priorities. This commitment is evident in the forward momentum already achieved through our Stars advancement. We expect approximately 80 percent of our Medicare Advantage members to be in plans rated four stars or higher for payment year 2019. We look for every opportunity to help people increasingly engage in their health, effectively use their benefits and get the appropriate care at the right time.

Q: What trends are you seeing in the group Medicare Advantage employer-sponsored retiree market?

We continue to see both public sector and commercial employer groups turning to Medicare Advantage plans as they search for robust, cost-effective and stable benefits packages that meet the unique needs of their retirees. Public sector groups are increasing their adoption of group Medicare Advantage plans to generate cost savings under a managed care environment. A 2017 Pew Charitable Trusts report suggested states, municipalities and similar governmental entities had collectively accumulated a $645 billion unfunded liability for retiree health costs. This figure illustrates the urgent need for administrators to take new approaches to supporting retirees' health care needs.

With strong state, municipal and commercial national account relationships, we are working with employer customers to provide Medicare solutions for their retirees. UnitedHealthcare's Retiree Solutions offers a stable, high-quality, four-star solution to meet the needs of this market segment by providing comprehensive benefit offerings for retirees' health care needs while limiting the financial risk and liability for our customers.

Local and national health plans have increased their focus on this segment, even as UnitedHealthcare continues to deliver stability and expertise to current and future plan sponsors. As a result, clients have continued to award us the leading national market share in group Medicare Advantage and we maintain a robust pipeline of opportunities for growth.

Q: What is your relationship with AARP?

We have a long-standing relationship with AARP that extends through 2025, with mutual options to further extend until the end of 2030. UnitedHealthcare continues to market AARP Medicare Supplement, AARP MedicareRx and AARP MedicareComplete plans under those names, as our current and prospective members affiliate strongly with the AARP brand. The relationship drives growth by enhancing recognition of our products, and is a vehicle for UnitedHealthcare and AARP to work together to drive innovation and improve the health care system.

AARP is the nation's largest consumer organization, serving nearly 38 million Americans over age 50, and maintains one of the most recognized and trusted brands in the senior market. Both our organizations are committed to working together to help people live healthier, more secure lives as they grow older.

Q: Describe your approach to the Medicare prescription drug program (Part D) market.

UnitedHealthcare is one of the nation's largest providers of Medicare prescription drug benefits, serving 4.7 million people throughout the U.S. and its territories. UnitedHealthcare's Part D plans are designed to help meet the diverse needs of consumers, ranging from newly eligible baby boomers taking few medications, to people with complex medical conditions requiring multiple medications, including specialty pharmacy management.

In 2019, UnitedHealthcare will continue to offer its broad portfolio of Part D offerings in the market to meet the unique needs of beneficiaries, covering all price segments, geographies and medication requirements. Our portfolio of offerings encompasses a comprehensive formulary, a broad retail network including preferred networks and retail discounts, seamless in-home delivery often at $0 co-pay for the member and PreCheck MyScript technology to enable real-time coverage and cost transparency at the time of prescribing.

Q: Describe the portfolio of Medicare Supplement products you offer. Will this program continue to grow in coming years?

The Medicare Supplement and other supplemental products we market with AARP provide valued and reliable coverage to 4.9 million seniors. Our Medicare Supplement product share has grown organically from 21 percent in 2002 to 33 percent today. We offer seniors a range of Medicare supplemental products that meet varying coverage needs and price points. These plans are offered in all 50 states and most U.S. territories and cover varying levels of coinsurance and deductible gaps that seniors are exposed to in the fee-for-service Medicare program.

Access to AARP's membership and brand helps to keep our marketing costs low. We expect to grow the business by providing people products with stable rate increases that offer the best lifetime value.

Q: What level of margin should we expect on your Medicare products?

Our quality improvements, combined with productivity and scale advances associated with our industry-leading growth, enable us to continue to perform within our historical 3 percent to 5 percent operating margin range. High-performing companies able to deploy new, market-leading innovation, technology and administrative or clinical capabilities in the service of Medicare beneficiaries may achieve higher margins. In aggregate, our consolidated level of operating margin adequately compensates us for the risks inherent in these programs and provides an acceptable and reasonable return on capital.

UnitedHealthcare Community & State

Q: How have you positioned UnitedHealthcare Community & State for continued success?

With nearly 30 years of experience serving state partners through the administration of large scale Medicaid and other state programs, UnitedHealthcare Community & State has gained a deep understanding of the industry and the health care needs of the populations these programs serve. We have positioned UnitedHealthcare Community & State for continued success by focusing on uncompromising operations, evolving our clinical model to provide whole-person care and developing products and services to serve adjacent markets.

Evolution of the Medicaid system varies as states prioritize different elements based on their political climates and objectives, budget pressures and other local characteristics and concerns. Our success is derived from meeting states' needs no matter where they are on their health care journey, working with them to shape their programs around the unique needs of the individuals served. There is a range of recurring elements that states typically prioritize, from budget predictability and sustainability to value-based payment reform to community-based integration. UnitedHealthcare continues to partner with states to address their objectives, while encouraging a more strategic approach that will result in better health outcomes for the people we serve.

Q: What are the market characteristics and growth opportunities for UnitedHealthcare Community & State?

Annual spending on Medicaid and related state health programs is estimated to exceed $650 billion in 2019. Three-quarters of the people served by Medicaid are in managed care programs today – but that represents just 50 percent of total Medicaid spending, as some states have been slower to convert programs serving people with complex needs from fee-for-service to managed care.

Our near-term growth opportunities include entering fee-for-service markets converting to managed care, which represents nearly 8 million people; and growing in existing managed care markets – including state expansions to populations with more complex needs, requiring more sophisticated models of care. This expansion includes integrated care management of physical, behavioral, long-term care services and supports and social services; strong data analytics; and community-based collaboration.

In addition to traditional Medicaid growth opportunities, we have continued to see strong growth in our Dual Special Needs Plans (DSNP) product offering, now serving over 700,000 people across UnitedHealthcare.

Q: How do you choose the state Medicaid programs in which you participate? How do you ensure program sustainability once you are in a state?

UnitedHealthcare Community & State evaluates programs for our participation based on a variety of factors, including the state's commitment and consistency of support for managed care in terms of service, innovation and funding; the eligible population base, both immediate and long term; and program structure.

We remain disciplined to ensure we achieve an appropriate return on the capital we invest and will only stay in markets and programs that are sustainable over a long period of time.

We develop meaningful partnerships with our state customers and work closely with them to ensure program sustainability – both from a funding and a design perspective. We believe transparency and information sharing are critical to strong relationships with our state partners, and we continuously collaborate to engage and strengthen state relationships for the long term.

Q: Describe your clinical management model at UnitedHealthcare Community & State.

Our clinical model integrates medical, behavioral, pharmacy and the social determinants of health to encompass the whole person. Whole-person health is supported by care providers across the care spectrum – physicians, nurses, community health workers and social workers – and is integrated directly with the care delivery system through value-based contracts and other provider incentives to ensure alignment. We believe this model of care will further improve clinical outcomes, reducing avoidable hospital admissions, among other benefits.

For people we serve with the most complex needs (e.g., LTSS, DSNP, I/DD), we employ a high-touch care model where every individual is surrounded by a multidisciplinary team to support their health and quality of life. We are engaged with them for day-to-day care planning, and our extensive field-based staff of nearly 3,500 care coordinators spends time meeting with individuals where they live to ensure they receive proper care and can continue to live in their preferred setting.

We offer targeted clinical programs to the varied populations we serve. For example, women receive support throughout the duration of a high-risk pregnancy through our Healthy First Steps Program. This includes assessing the mother's risk; helping remove any barriers to care; educating her about the importance of prenatal and post-partum care; connecting her to an obstetrician; providing behavioral health care and/or social services; and much more, based on the mother's and baby's individual needs. Our goal is to help every mother-to-be get the right care at the right time to achieve the best health outcomes for her and her baby.

Q: How are you positioned to serve the state market for more complex populations?

We believe states will continue to look to managed care to address the needs of the most complex populations served by Medicaid – those with the most significant health challenges, including those who are the most complicated and costly to care for and are often in need of long-term services and support, and those with intellectual and developmental disabilities.

Managed care improves health outcomes and supports several initiatives that are fundamental to meeting the needs of these people, such as improving quality of life and reducing reliance on costly institutions. We expect states to continue turning to managed care, at an increasing pace, as a solution for program sustainability for the people they serve.

For example, there are over 10 million DSNP individuals across the U.S., with only 2 million served by managed care today.

We have seen strong growth in our DSNP program, currently serving over 700,000 people across UnitedHealthcare, an increase of more than 300,000 in just the past two calendar years. Our commitment is to serving complex members, like the DSNP population, and bringing additional value through our unique Optum HouseCalls program and other strong Star and clinical programs.

Q: How is UnitedHealth Group addressing social determinants of health?

UnitedHealthcare Community & State has an end-to-end Integrated Health and Human Services capability that brings together medical, mental health, addiction and social services to form a patient-centered approach for ensuring whole-person care. This unique approach addresses the key social determinants that are often gateways to better overall health for people with complex situations and health needs. Some of our recent innovations include: local in-home clinical teams for wrap-around care; consulting services for medical providers looking to improve how they identify and treat social determinants of health; a proprietary patient-driven assessment tool for health-related social needs; and an online community data marketplace that connects community-based and county organizations to integrated data resources so they can better understand the impact of their programs and strategically target their most pressing local health and social problems.

Q: What are your long-term expectations for operating margins at UnitedHealthcare Community & State?

While local margins vary across the 31 markets and more than 100 state-specific programs we serve, overall we continue to target operating margins in the 3 percent to 5 percent range on average for the long term.

UnitedHealthcare Global

Q: What is your outlook for business opportunities outside the U.S.?

More than one-half of global health care spending occurs outside the U.S., and today we serve less than 1 percent of that market. While each national health system differs in construct, most face similar challenges: access, affordability and quality outcomes. Pervasive issues include the rising burden of chronic conditions in aging populations, inappropriate variation in clinical cost and quality, disengaged consumers, and the need to modernize the administrative and technological aspects of health care systems. UnitedHealth Group has the proven capabilities, assets and experience to create value in these areas. We now operate in four of the six largest countries in Latin America, as well as in Europe and over 130 countries around the world.

Continued expansion of our presence worldwide, both on an organic basis and through strategic acquisitions, is a growth priority. We are committed to continuing to advance affordability over time, enabling us to reach and impact more consumers with more affordable private health benefits and services. We differentiate ourselves with quality, improved consumer experience and product simplicity and choice. We will grow our public-private partnerships based on the same affordability and quality credentials. We also see opportunities to expand our diversified benefits, services and delivery model into markets with strong private health demand, low existing private insurance penetration and limited services and delivery resources.

Q: How has your Brazilian business changed since you acquired it six years ago?

We have significantly advanced operational quality in health care and health outcomes, affordability and the consumer experience. Dedication to evidence-based care guidelines, care coordination, population health management programs, innovative reimbursement models and NPS measurement, among other things, have all contributed to these improvements.

We continue to invest in the programs and technologies needed to serve more people with the highest-quality care and drive long-term success in the business.

Q: Please describe the recent addition of Empresas Banmédica in South America.

We have evaluated international markets for their potential for many years, and Latin America has always been a focus. We began to develop a relationship with Empresas Banmédica in 2012.

Empresas Banmédica is a unique platform of complementary health insurance and health care delivery assets strategically positioned in countries characterized by consistent economic growth, increasing demand for high-quality health care services and underpenetrated private health care. The business has a leading health care position in Chile and a strong and growing presence in Peru and Colombia, each high-growth health care markets.

Significant opportunities exist to further strengthen Empresas Banmédica with UnitedHealth Group expertise, including within its health benefits business through the application of data and analytics to improve care quality, clinical protocols and payment integrity, and within care delivery through deployment of population health and revenue management.

Q: What clinical care delivery capabilities do you have around the globe?

UnitedHealthcare Global has 55 hospitals and approximately 225 clinics and outpatient centers worldwide. Having aligned benefits and care delivery businesses gives us the ability to manage care for better outcomes at better costs. Viewing the health care system holistically allows for joint market planning, acceleration of new reimbursement models, innovative product designs and more.

Clinical care delivery businesses include public and private hospitals, outpatient care, and home health care. We deliver locally relevant and tailored solutions to enhance access to care and improve health outcomes in both public and private systems.