

UnitedHealthcare Presentation

ACCESS

AFFORDABILITY

OUTCOMES

EXPERIENCE

50M⁺ people served

Deeply embedded in every aspect of the health system

Incentives

Benefit designs

Clinical models



Building a better health care system



Affordability

Data-driven clinical and
care management model

Simplifying consumer experience



AFFORDABILITY

Getting consumers to the best Site of Service

SELECT SURGICAL PROCEDURES
performed in ambulatory surgery centers

~**50%** of the cost vs.
outpatient hospital setting



Rapidly expanding Site of Service

REDUCING SPECIALTY PHARMACY COSTS

Home infusion services

UP TO

50%

of the cost vs.
hospital-based setting

INCREASING THE NUMBER OF PROCEDURE CODES

Site of Service

UP TO

\$500M

savings for our customers
from Site of Service in 2020



New products that reduce out-of-pocket costs

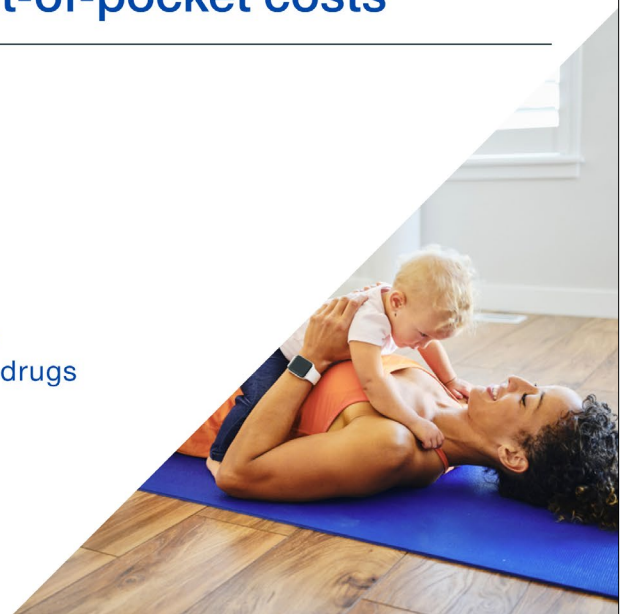
PRIMARY ADVANTAGE PLAN

\$0 co-pay

Primary
care visits

Virtual
care

Many
tier 1 drugs



Engaging high-performing providers to advance quality and affordability

HIGH-PERFORMING PROVIDERS

7% lower total cost of care

\$9B annual savings opportunity

PREMIUM DESIGNATED SPECIALISTS

Orthopedic surgeons

31% fewer procedure revisions on knee replacements

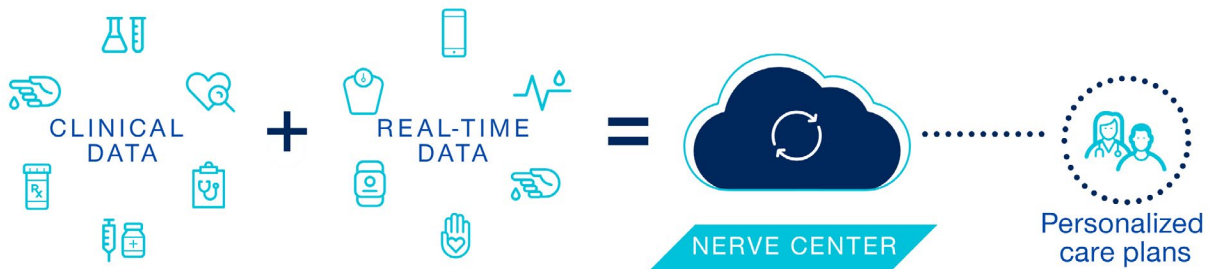
General surgeons

25% lower complication rates for appendectomy procedures



DATA-DRIVEN CLINICAL AND CARE MANAGEMENT MODEL

Integrated digital ecosystem



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Nerve Center uses real-time data to identify next best action

31k members enrolled in Congestive Heart Failure remote monitoring program

REMOTE MONITORING PROGRAM RESULTS

97%

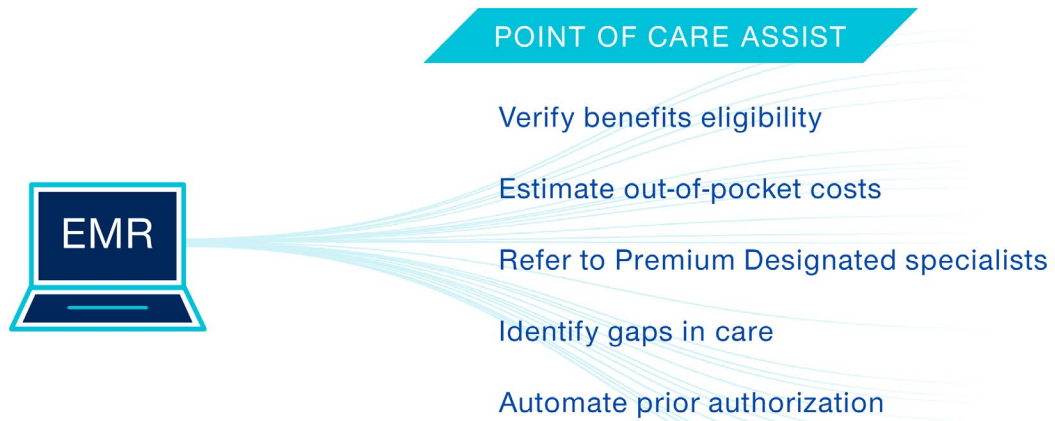
patient satisfaction

↓65%

30-day readmissions

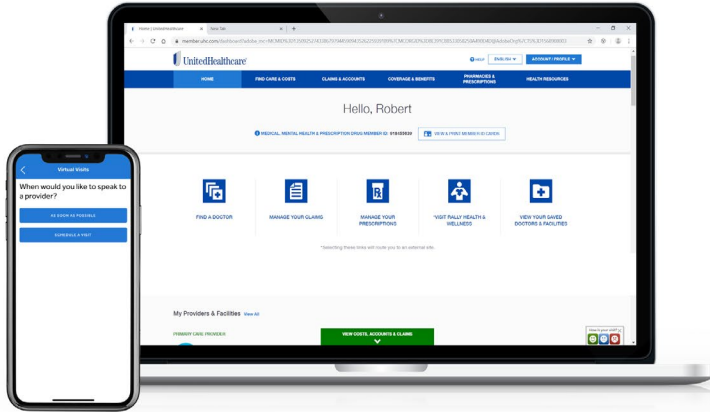
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Putting real-time information in providers' hands



SIMPLIFYING CONSUMER EXPERIENCE

Seamless UnitedHealthcare digital experience



Understand health coverage and finances

Find and price care

Receive and pay for care

One source for integrated health data



Simplifying consumer experience with virtual visits

28M people with access to virtual visits

Virtual Care opportunity

^60% virtual visits in 2019

500k total virtual visits in 2019



Driving engagement through digital

28%

of people with elevated cholesterol levels who stayed engaged on the Rally digital platform for at least a year saw their cholesterol move to normal levels

\$1.5B⁺

health-related incentives paid through Rally since 2016

MOTION

Putting cash back in the hands of consumers for steps walked

Expanding to other types of healthy activities

500k

commercial members enrolled

▼65%

outpatient visits

▼29%

inpatient visits

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**BUSINESS
PERFORMANCE**

Medicare & Retirement

12.5M

people served

44%

of Medicare Advantage
growth captured since 2015



Well positioned for growth in 2020

Differentiated benefits
and products

More personalized
care support

Distinctive service
experience

Multi-faceted
clinical agenda



Individual Medicare Advantage

EXPANDED 2020 FOOTPRINT

1.2M new Medicare eligibles **2x** plans with zero-dollar primary care co-pay

INTEGRATED WELLNESS PROGRAMS AND INCENTIVES

Designed with Rally



STAY FIT



STAY FOCUSED



STAY SHARP



STAY CONNECTED



REWARDS



Providing personalized care

NAVIGATE4ME

Building connections during times of acute need

1.25M eligible in 2019 **2M** eligible in 2020 including all DSNP members **26** point increase in NPS

HOUSECALLS

Creating regular connections during times of wellness

2.4k+ advanced practice clinicians **47** states in 2020 **1.85M** visits in 2020 **70s** NPS



Relentless focus on quality

CONSISTENTLY HIGH QUALITY RATINGS

84%

of members in 4 star or higher plans
for 2021 payment year



Diverse Medicare portfolio provides differentiation

GROUP MEDICARE
ADVANTAGE



4.5 star
solution

MEDICARE
SUPPLEMENT



Seniors choose our
AARP-branded product
more than any other
Medicare Supplement
offering in the market

MEDICARE
PART D

Popular, high-value
Part D co-branded product



+

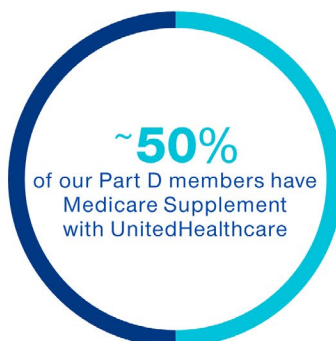


Also introducing new, co-branded
Medicare Advantage
Part D product in 24 states



Complimentary Medicare solutions

Medicare
Part D + Medicare
Supplement



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Medicare & Retirement – revenue and enrollment

2020 OUTLOOK	2018 ACTUALS	2019 ESTIMATE	2020 PROJECTION
<small>\$ in billions, Enrollment in thousands</small>			
Revenue	\$75.5	\$83.2	\$92.5 – \$93.5
Medical Enrollment			
Medicare Advantage	4,945	5,275	5,775 – 5,825
Medicare Supplement	4,545	4,500	4,525 – 4,575
Total Medicare	9,490	9,775	10,300 – 10,400
Medicare Part D Stand-Alone	4,710	4,410	4,210 – 4,310

Continued growth of 500,000 to 550,000 people in Medicare Advantage

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Community & State

Membership

6M people served

31 states and District of Columbia



Disciplined growth agenda

New business wins since 2018

Virginia / North Carolina / Louisiana
Arizona / Texas / Kentucky

15 states in 2020 with potential bids for new and expanded Medicaid opportunities



Dual Special Needs Plans represent large growth opportunity

~**1M** UnitedHealthcare members
in Dual Special Needs Plans

2x faster membership growth
vs. industry over last five years

Dual Special Needs landscape

2.7M
people in
Dual Special
Needs Plans



11M total eligible for Dual
Special Needs Plans



Leveraging data for targeted interventions



RESULTS
IN ONE REGION

▼64%
inpatient visits

▲31%
primary care visits

*Does not consider regression to the mean



Community & State – revenue and enrollment

2020 OUTLOOK	2018 ACTUALS	2019 ESTIMATE	2020 PROJECTION
\$ in billions, Enrollment in thousands			
Revenue	\$43.4	\$43.7	\$47.0 – \$48.0
Medical Enrollment			
Medicaid	5,180	4,550	–
Complex (1)	1,270	1,340	–
Total Medicaid	6,450	5,890	6,290 – 6,340

Strong growth of 400,000 to 450,000 people in Medicaid and DSNP

(1) Includes DSNP, LTC, ABD, and MMP



Government-sponsored benefit programs

UnitedHealthcare members

~ **1M** more people served in 2020

Opportunity

~ **\$700B** government spending not yet in managed care



Employer & Individual

~28M UnitedHealthcare
commercial members

250k employers
served

Growth Strategy

Advancing network design and affordability

Expanding portfolio of innovative benefits and funding designs

Diversifying into growing ancillary space



Increased transparency will reduce price variation

\$20B unwarranted cost variation in
our commercial provider network

COST OF MRI IN MANHATTAN

\$193 – \$3k



Drive greater adoption of out-of-network programs with employers

2020

80%+

commercial
membership covered

DELIVERING

UP TO

\$500M

incremental
cost savings



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Innovative consumer-centric products lower out-of-pocket costs

ALL SAVERS

~**300k** people
enrolled

150k new members
in 2020

NexusACO

Single plan design
nationwide for employers

Member incentives for choosing
high-performing providers

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Flexible benefit platform serves growing TPA market

FLEXIBLE AND
CONFIGURABLE

+

SERVICES AND
NETWORK DESIGNS



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Third-party administrator platform

5.3M members

>2M membership growth
in last three years

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New digital health plan

VIRTUAL CARE PLAN

~8-10% cost compared to
standard Choice-Plus plan



click-to-chat
with an advocate



virtual primary
care visit

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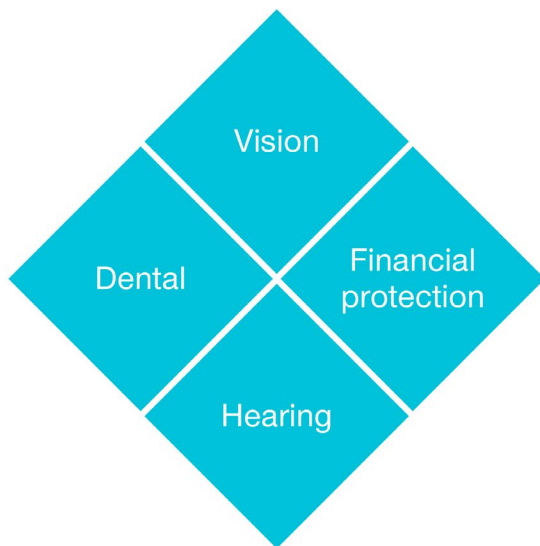
Diversifying into growing ancillary market

35M⁺ specialty members

3.4M new members in 2020



Diversifying into growing ancillary market



4% reduction in medical costs with integrated model

15% more frequent diabetes identification from cross-referenced clinical data



Employer & Individual – revenue and enrollment

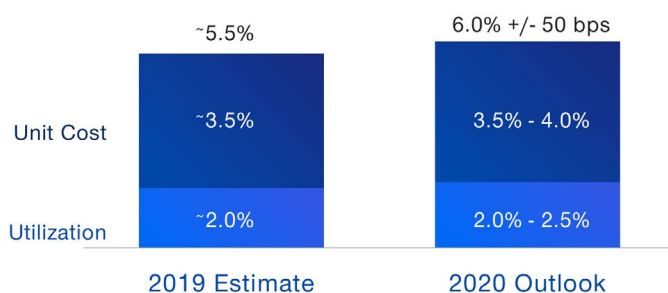
2020 OUTLOOK	2018 ACTUALS	2019 ESTIMATE	2020 PROJECTION
\$ in billions, Enrollment in thousands			
Revenue	\$54.8	\$56.9	\$58.0 – \$59.0
Medical Enrollment			
Commercial Risk	8,495	8,610	8,460 – 8,660
Commercial Fee	18,420	19,145	18,945 – 19,145
Total Commercial	26,915	27,755	27,405 – 27,805

2020: Enrollment strengthens as the year progresses



2020 outlook – commercial medical trend

2020 COMMERCIAL MEDICAL TREND BY CATEGORY		
Physician	3.0% – 4.0%	Relatively consistent as we continue to invest in high-performing physician partnerships
Inpatient	4.0% – 5.0%	Continued expectation of reduction in utilization partially mitigates unit cost pressure
Outpatient	7.5% – 8.5%	Remains driver of utilization trend; unit cost increases are consistent with prior years
Pharmacy	7.5% – 8.5%	Unit cost and introduction/increased utilization of new drugs drives overall Rx trend



- Commercial measure comprises trend on 7M group commercial risk members
- Unit cost increases continue to be the primary driver of trend



Global – market-leading benefits and care delivery platforms

5.8M people with medical benefits

2.1M people with dental benefits

50+ hospitals

225 clinics and ambulatory centers



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Global – focus areas for 2020

Improve total cost of care

Value-based networks

Evidence-based protocols

Coordinating benefits and care delivery

Developing Centers of Excellence

Administrative and systems simplification



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Global – revenue and enrollment

2020 OUTLOOK	2018 ACTUALS	2019 ESTIMATE	2020 PROJECTION
\$ in billions, Enrollment in thousands			
Revenue	\$9.8	\$9.9	\$9.8 - \$10.3
Medical Enrollment	6,220	5,710	5,785 – 5,835

2020: Measured, profitable growth



Results and outlook – revenue and earnings

2020 OUTLOOK	2018 ACTUALS	2019 ESTIMATE	2020 PROJECTION
\$ in billions			
Revenue			
Employer & Individual	\$54.8	\$56.9	\$58.0 – \$59.0
Medicare & Retirement	75.5	83.2	92.5 – 93.5
Community & State	43.4	43.7	47.0 – 48.0
UnitedHealthcare Global	9.8	9.9	9.8 – 10.3
Total UnitedHealthcare	\$183.5	\$193.7	Range of \$208.0 to \$210.0
UnitedHealth Group Medical Care Ratio	81.6%	~82.6%	81.7% +/- 50bps
UnitedHealthcare Earnings from Operations			
Operating Margin	5.0%	5.3%	5.3% – 5.5%



Results and outlook – enrollment

2020 OUTLOOK	2018 ACTUALS	2019 ESTIMATE	2020 PROJECTION
Enrollment in thousands			
Commercial Risk	8,495	8,610	8,460 – 8,660
Commercial Fee	18,420	19,145	18,945 – 19,145
Medicare Advantage	4,945	5,275	5,775 – 5,825
Medicare Supplement	4,545	4,500	4,525 – 4,575
Medicaid	6,450	5,890	6,290 – 6,340
UnitedHealthcare Global	6,220	5,710	5,785 – 5,835
Total UnitedHealthcare – Medical	49,075	49,130	49,780 – 50,380
Medicare Part D Stand-Alone	4,710	4,410	4,210 – 4,310

