

Conference Call Remarks May 13, 2025

Moderator:

Good morning and welcome to the UnitedHealth Group conference call. A brief question-and-answer session will follow UnitedHealth Group's prepared remarks. As a reminder, this call is being recorded.

Here is some important introductory information. This call contains "forward-looking statements" under U.S. federal securities laws. These statements are subject to risks and uncertainties that could cause actual results to differ materially from historical experience or present expectations. A description of some of the risks and uncertainties can be found in the reports that we file with the Securities and Exchange Commission, including the cautionary statements included in our current and periodic filings.

This call may reference non-GAAP amounts, a reconciliation of the non-GAAP to GAAP amount is available on the Financial & Earnings Reports section of the company's Investor Relations page at www.unitedhealthgroup.com.

Information presented is contained in the press release we issued this morning, dated May 13, 2025, which may be accessed from the Investor Relations page of the company's website. I will now turn the conference over to the chief executive officer of UnitedHealth Group, Mr. Stephen Hemsley. Please go ahead, sir.

Stephen Hemsley

Thank you, Lisa. Good morning, and thanks very much for joining us on short notice.

This morning I'll offer a few introductory comments and then John Rex will walk through some key points and we'll open up for a very, very brief Q&A.

I'll start by conveying, on behalf of the UnitedHealth Group Board, our fellow employees and myself, our deepest thanks and appreciation to Andrew Witty for his leadership of this company – a vital role he played with real integrity and compassion during one of the most difficult periods any company could endure. We understand his decision and I am grateful he has agreed to serve as a senior adviser to me.

I am humbled to return to the mission of this company and to the thousands of employees dedicated to that mission. I have every confidence in the leadership team and the capacities of this enterprise to continue to create and pursue significant opportunities to make substantial contributions to health care in this country and to return to our long-term growth expectations.

To all stakeholders, including employees and shareholders, I am deeply disappointed in and apologize for the performance setbacks we have encountered from both external and internal challenges. Many of the issues standing in the way of achieving our goals, as well as our opportunities, are largely within our control. I am optimistic about our future as these issues are within our capacity to resolve. We will approach them with humility, rigor and urgency. As we have done over the years, the people of UnitedHealth Group will adapt and evolve to the ever-changing circumstances, challenges and opportunities, and perform to our fullest potential ... guided by our mission to help people live healthier lives and help make the health system work better for everyone.

The announcement this morning regarding our guidance is a necessary step in this process. It enables us to focus even more closely on the actions essential for our success in the months and quarters and years ahead.

Our strategy and structure are the right ones for this era. They are designed to help more people more comprehensively through value-based care approaches that are integrated and holistic in response to a health system that can be frustratingly disconnected, inconsistent in its quality and inequitable in access. We have made meaningful progress through value-based care approaches to overcome these issues and intend to execute far more urgently and precisely along this path moving forward. I believe and expect we can also be in the forefront of modernization and innovation across the health system. With that, I'll ask John now to offer some high-level perspectives.

John Rex

Thanks, Steve.

When we left you in April, our revised guidance was built on the data we had at that time, which we believed fairly reflected the cost pressures and trend. I'll give you a sense of what we are seeing now, which I would put into three principal categories:

One, greater-than-expected impact in UnitedHealthcare from the health status of new members.

Two, further acceleration of utilization within Medicare Advantage.

Third, indications of a broadening of this higher trend to other areas and we are prudently anticipating these trends may go even further.

Together, these factors are driving care activity levels that continue to exceed our expectations.

We are incorporating these higher cost experiences and expectations in our 2026 Medicare Advantage bids that are due in a few weeks, as well as our pricing in other markets. We remain committed to providing stable and high-quality medical offerings to the members we are privileged to serve, but we will also

appropriately price and adjust our offerings to return to our long-term target margin range.

Steve?

Stephen Hemsley

Thanks, John. Our intention in these next weeks, months and quarters is to take the actions necessary to deliver the performance we are capable of, so we can once again meet the expectations you have of us and the higher performance standards we hold for ourselves. As I said, this company has both the opportunities and capabilities to deliver exceptional services and outcomes for customers, consumers and care providers, and to continue to reliably generate the earnings growth that aligns with our 13% to 16% long term growth range.