



UnitedHealth Group®

UnitedHealth Group

Solanki vishwaraj
17111a

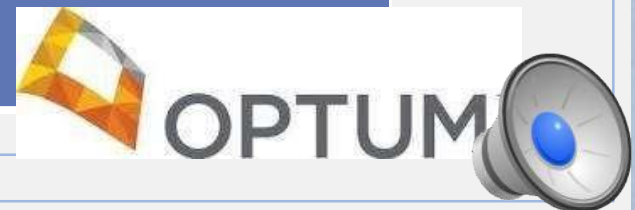
Company Profile

“Our mission is to help people live healthier lives and to help make the health system work better for everyone”



Health Benefits
UnitedHealthcare
Coverage through
Medicaid, community
programs, military
person, etc.

Health Services
Optum
Health information,
technology, services and
consulting



Key People



President & CEO
Stephen J. Hemsley



Executive Vice
President
Gail K. Boudreaux



Executive Vice President & CEO
of Optum
Larry C. Renfro

Other Key People are:

Edson Bueno (Director), David S. Wichmann (CFO), Marianne D. Short (CLO), William A. Munsell (Executive Vice President), Anthony Welters (Executive Vice President), Eric S. Rangen (CAO & Senior VP), Jeannine M. Rivet (Executive Vice President), D. Ellen Wilson (Executive Vice President), Richard Migliori, M.D. (CMO), Don Nathan (CCO & Senior VP), Cory B. Alexander (Executive VP), John S. Peshorn (Senior VP), Terry Clark (Senior VP)



Financial Information

Consolidated Financial Results:

Revenues (in millions)

2012: \$110,618

2013: \$122,489

Net Earnings (in millions)

2012: \$5,526

2013: \$5,625

Net Earnings Per Share

2012: \$5.28

2013: \$5.50

\$14.7 Billion returned to shareholders



Financial Information

- \$ 160 Billion
- Performanced-Based Care (UnitedHealth Care)
 - 2012:** \$28 Billion
 - 2018E:** \$65 Billion
- Operating Earnings (Optum)
 - 2011:** \$1.3 Billion
 - 2012:** \$1.4 Billion
 - 2013:** \$2.3 Billion



Industry

Strengths: Competencies in diversified health benefits market segment
National scale helping leverage competencies and brand

Strong presence in high margin health services business

Weaknesses: Significant level of indebtedness affecting flexibility for expansion
Litigations likely to impact the financial soundness and brand image of the group

Opportunities:

Inclusion of uninsured population to drive membership base growth

Favorable trends towards low cost generic drugs uptake could help save costs

Threats: Health care cost containment could limit earning potential

Negative publicity likely to affect private health insurance business

Increasing competition likely to erode the market share and profitability of the group



Services

- Health insurance
 - Group health plans
 - Specialty benefits
 - Retiree solutions
 - Global healthcare solutions
- Medicare Plans
- Medicaid Plans
- Health and wellness information
- Hospice Care
- Health management
- Pharmacy benefit management
- Software and information tools
- Healthcare network
- Practice resources



Suits and Claims

- 2008: Alleged violation of the Mental Health Parity and Addiction Equity Act of 2008.
- California
- Responded in a socially reactive manner

- 2013: Another alleged violation of the Mental Health Parity and Addiction Equity Act of 2008.
- Minnesota
- Again responded in a socially reactive manner



Social Responsibility

“We take seriously our responsibility to serve others and to bring forward meaningful and sustaining change”

- Annual giving campaigns
- Company-wide volunteering
- UnitedHealth Foundation
- United Healthcare Children’s Foundation
- Green business practices



Growth Plan

- Functional diversification
- Organizational innovation-
Optum One and Health4Me
app
- Focusing on core markets
and territories



Application

- Learned how responding to customer complaints/issues negatively can affect an organization's image adversely.
- How one responds to societal/ethical issues should also reflect the mission/values of the given company.
- Saw the real life application of the SWOT analysis
 - Better able to see the value of Porter's 5 industry forces
 - Learned valuable information about a company that has local roots



Bibliography

<http://www.unitedhealthgroup.com/Home/About/Default.aspx>

http://www.hoovers.com/company-information/cs/company-profile.UNITEDHEALTH_GROUP_INCORPORATED.ea3678bdde9dab63.html

<http://www.unitedhealthgroup.com/~media/UHG/PDF/About/UNH-Fact-Book.ashx>

<http://www.startribune.com/business/201677791.html>

"Unitedhealth Group Incorporated." *Unitedhealth Group SWOT Analysis* (2014): 1-8. EBSCO MegaFILE. Web. 20 Oct. 2014.

<http://www.washingtonexaminer.com/class-action-says-united-healthcare-violated-mental-health-and-addiction-law/article/feed/2140074>

<http://www.unitedhealthgroup.com/2013-annual-report/Default.aspx>