



# Health Care Market Forces and UHC Affordability Priorities

Dallas – October 22, 2025



United  
Healthcare®

# Our discussion

- Market forces and health care trends
  - The UHC Affordability Agenda
  - Employer Collaboration
- Examples



(Modern Healthcare Illustration / Getty Images)

# Is health care suffering from this?

1980s

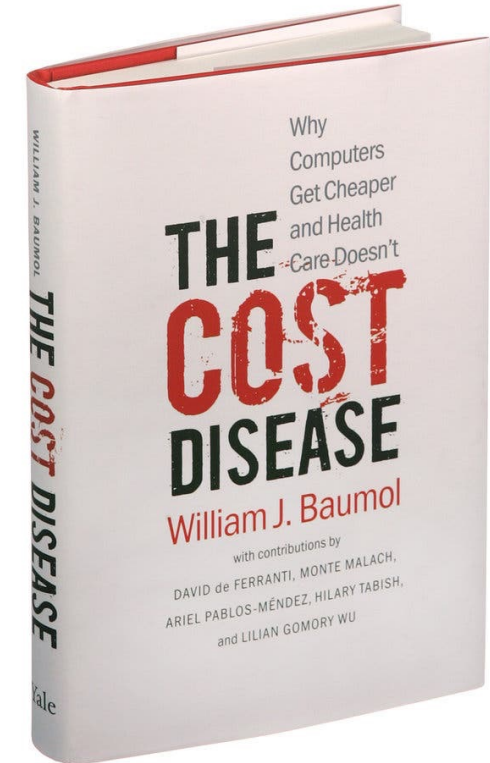


\$3 - \$5

Today



\$30 - \$400



The challenges of a labor intense sector

Are lower cost alternatives fading out?

# Forces at play for large employers

Tension points and opportunities in a \$5 trillion U.S. health care market (18% of GDP)



## Prices

\$8400+ displaced household due to 20%+ past 4 years (general and health care)



## AI and Digital

virtual, devices and remote monitoring, rural access, A.I. and technology



## Mental Health

substance use, general anxiety, timely access to care, effectiveness and quality



## Value-Based Care

super-practices, shortages, patient-centric, risk-sharing, EMRs, data sharing and A.I.



## Complex Clinical

\$\$\$ treatments (spec Rx, gene-based), efficacy and validity



## Disparities

communities, culture, SDOH, Digital / rural access to care and resources, income disparities



## Policy

OB<sup>3</sup>A, state efforts, marketplaces, state options, MedAdv v28, PBM.



## Aging / Illness

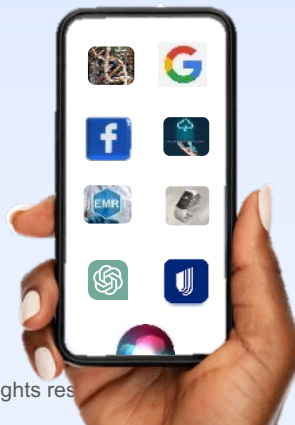
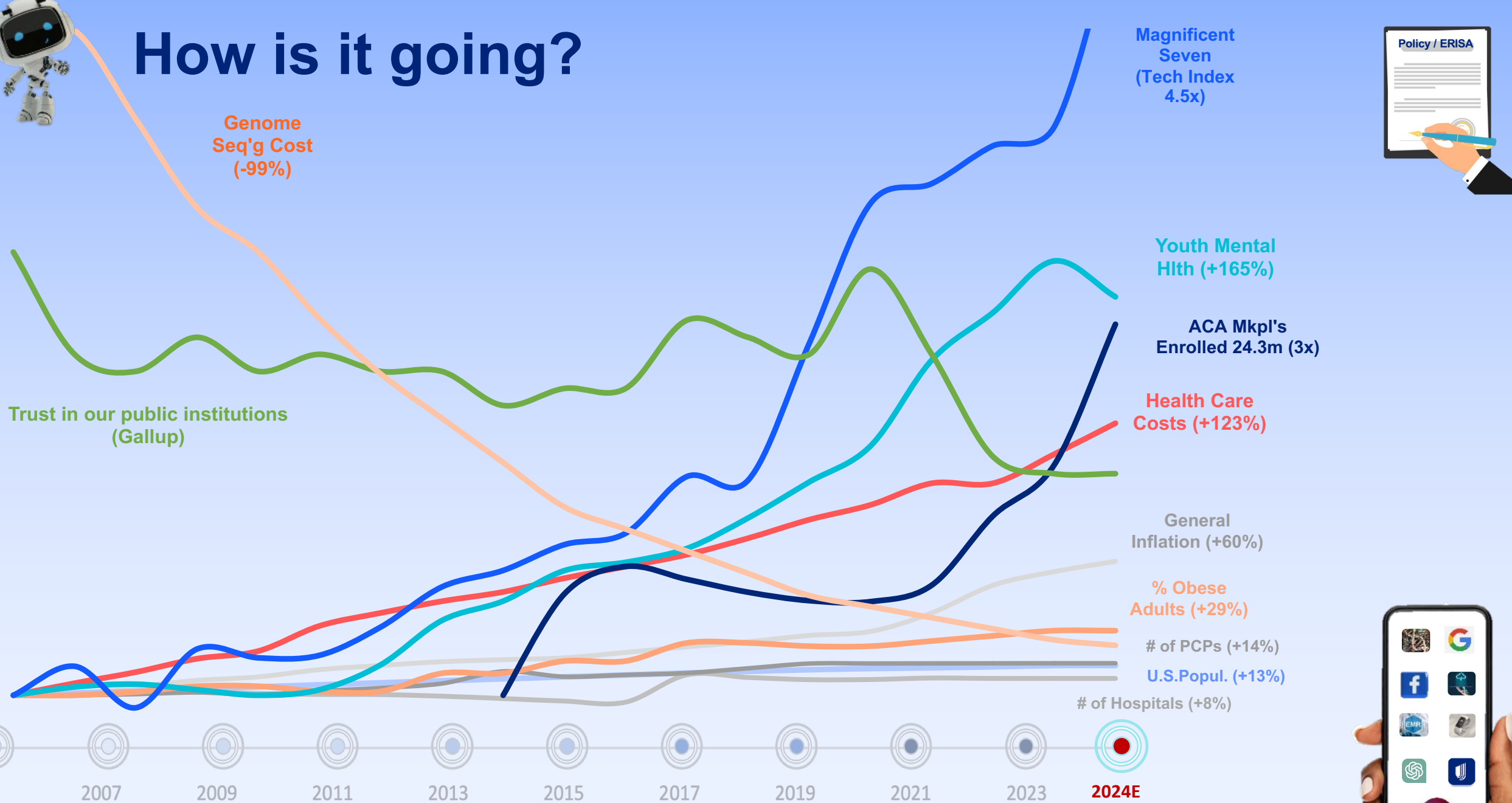
aging plateauing in next 5-10 years, obesity, diabetes, lifestyle challenges, GLP1s and other treatments



## Sentiments

flexible work and provider burnout, trust and engagement, privacy and data ownership

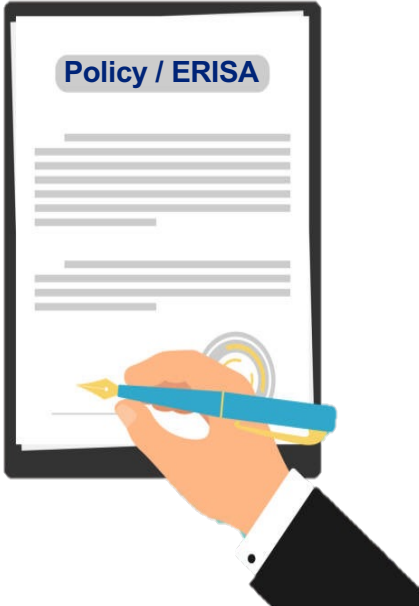
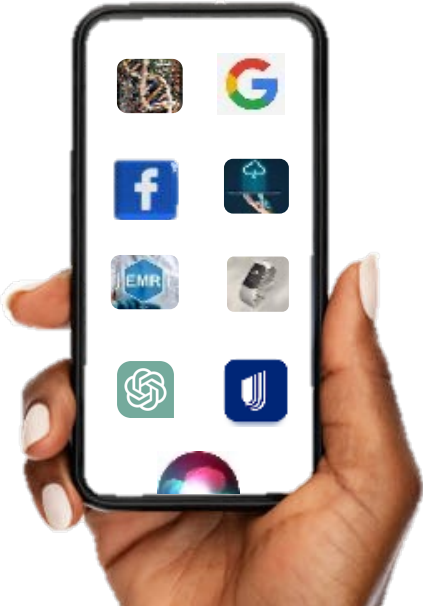
# How is it going?



Sources: Kaiser Family Foundation- Premiums and Worker Contributions Among Workers Covered by Employer Sponsored Coverage, 1999-2003; CDC – Prevalence of Obesity and Severe Obesity Among Adults: United States, 2017-2018 & Trust for America's Health – The State of Obesity 2022; SAMHSA – 2022 National Survey on Drug Use and Health; American Hospital Association – Fast Facts on U.S. Hospitals, 2024; Yahoo Finance historical stock data; Gallup Poll - Confidence in Institutions, 2022; CB Insights – Trends Shaping the Genomics Revolution, 2017; US Census Bureau – Historical Population Change Data (1910-2020). Inflation from DOL Bureau of Statistics (Dec value). © 2025 United HealthCare Services, Inc. All rights reserved.

# Which 'hand' shall we play?

for quality, cost effective, simple health care



**\$8,400**

Displaced Family  
Budget \$s '24



**40%**

Feelings of despair  
(CDC, 2023, Ages 13-18)



**65%**

Optimal Choices (HAI)



# Policy / Regulations / Executive Orders

## Major OBBBA healthcare policies



Marketplace tax credit restrictions and Medicaid cost sharing  
→ *reduce affordability*



Medicaid work requirements  
→ *increase admin burden*



Medicaid and Marketplace enrollment restrictions and eligibility verification barriers  
→ *increase admin burden*



State Medicaid financing restrictions  
→ *reduce federal funding to states*



Medicare sequestration trigger  
→ *reduces federal spending*

## Potential impacts<sup>1</sup>

**14.2M** *July 21 estimates*

Projected increase in uninsured people (includes sunset subsidies)

### Potential consequences:

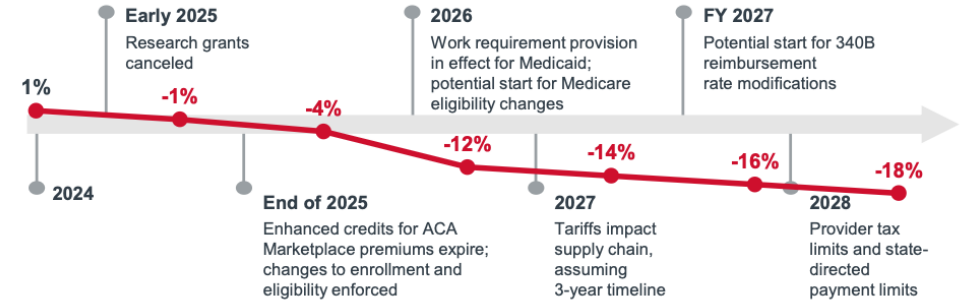
- ▲ Uncompensated care
- ▲ Exacerbated health conditions
- ▼ Elective volumes
- ▼ Health plan enrollment

**\$910B** *July 21 estimates*

Estimated direct reimbursement reduction (includes sequestration cuts)<sup>2</sup>

## OBBBA and its impact for hospitals at a glance

### Key policy milestones and impact on system operating margin<sup>1</sup>



July 2025

**ACA Subsidies**  
(Core, expanded, qualifications)

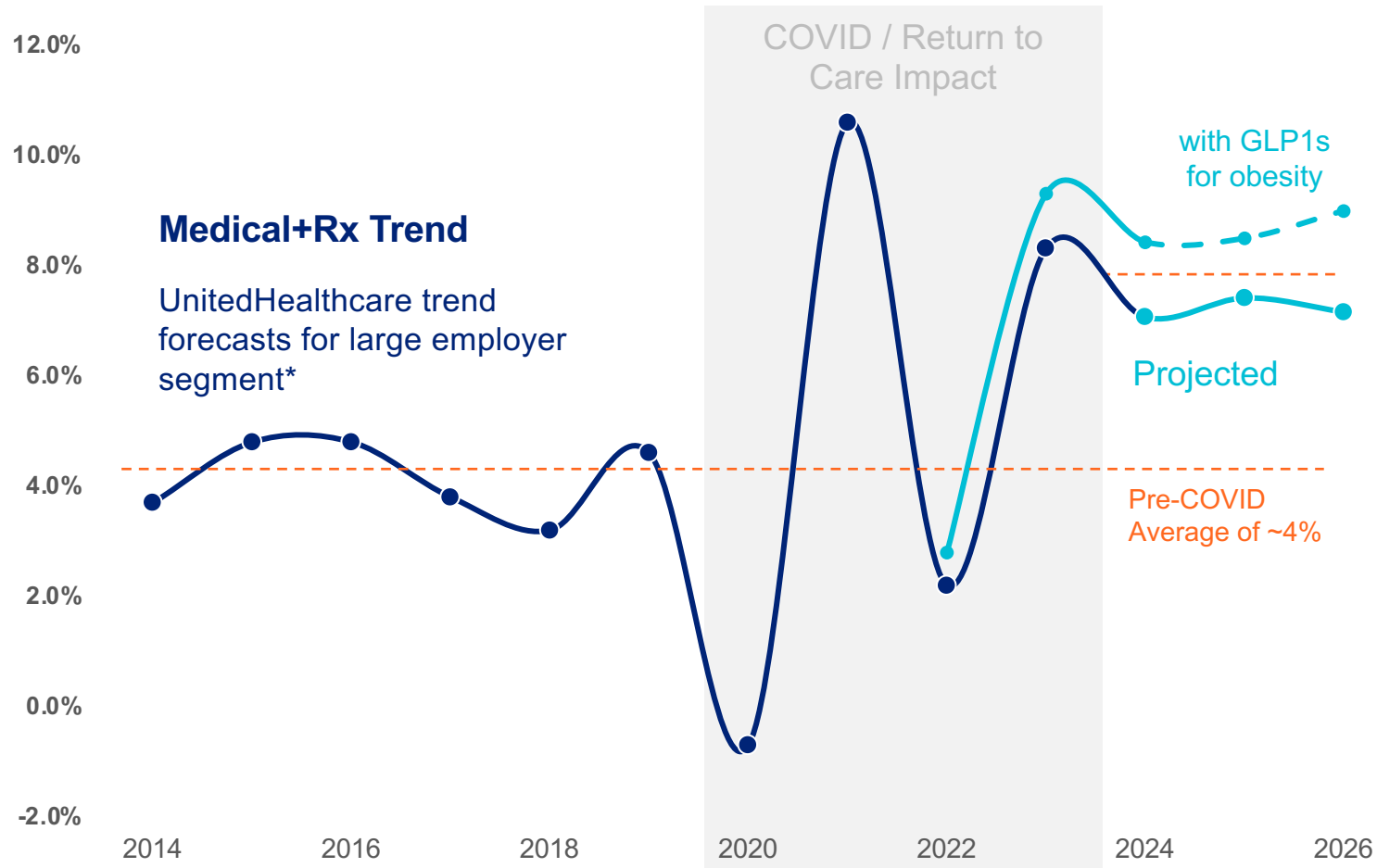
**PBM – Fed / State**  
(steering, ownership, spread, favored nations, 340b)

**State Efforts**  
(rate setting, public options, antitrust, PA)







**Data Privacy / Security**  
(AI, interoperability, sharing, EMRs)

**Site Neutrality**  
(Medicare & State)

# Two-fold increase in health cost trend pressures



## Key drivers forward

-  **Specialty pharmacy / GLP 1s / new gene therapies / cancer**
-  **Behavioral health / aging and general health of popul.**
-  **Fraud, Waste, and Abuse**
-  **Network negotiations (prices, structure, consolidation)**
-  **Affordability / Innovation / AI / Value-Based Care**
-  **Policy / Individual well-being**

\*NOTE: The above are book of business commercial expectations for national accounts. Actual client projections should be made in the context of specific plan benefits, expected membership changes, and an understanding of recent claims cycles vs normal trends (e.g. high cost claimants, return to care).



UnitedHealthcare is working to

# Simplify health experiences for sustainable value



Digital First Approach with A.I. responsible use (90%+ interactions projected)

## National proprietary platform and clinical integrity

Secure | Interoperable | High Quality | Intelligent | Transparent  
Over 2 Trillion Transactions to Inform Innovation

**\$5B+**

invested annually in innovation, R&D and technology

**140** bps

Average trend advantage delivered to market since 2019

**92%**

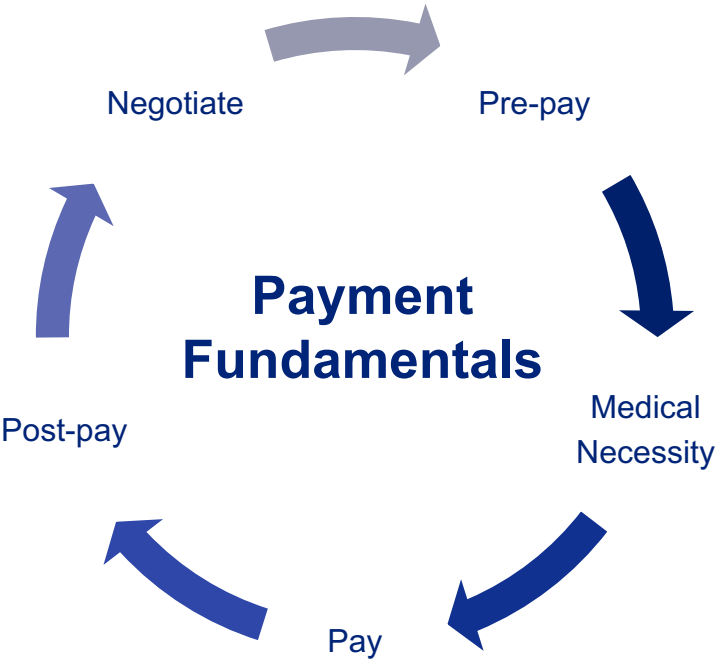
Admits known in real time for engagement



# The UHC Affordability Agenda

3 Value Domains to optimize for the employer sponsored health plan

1



**EXECUTION**

2



**INNOVATION**

3



**MOTIVATION**



# Payment Fundamentals

- ✓ Fair competitive predictable rates
- ✓ Clinical appropriateness
- ✓ Modernize and simplify
- ✓ Detect & avoid FWA



Foundational to all UHC products

# UnitedHealthcare Network



## Quality

- UnitedHealth Premium® **20 years**
- Centers of Excellence and Complex Care
- ACO group designations



## Value-Based Care

- Performance-based payments tied to quality and efficiency
- 114 ACO partnerships with 70% have shared downside risk

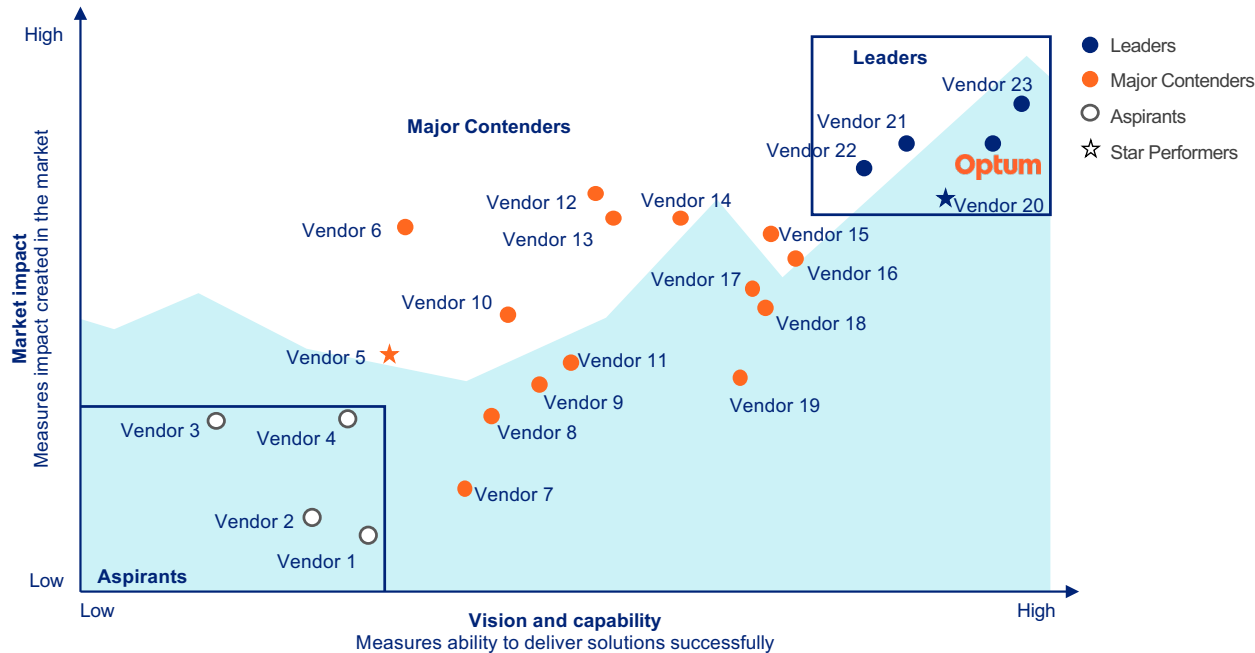


## Collaboration

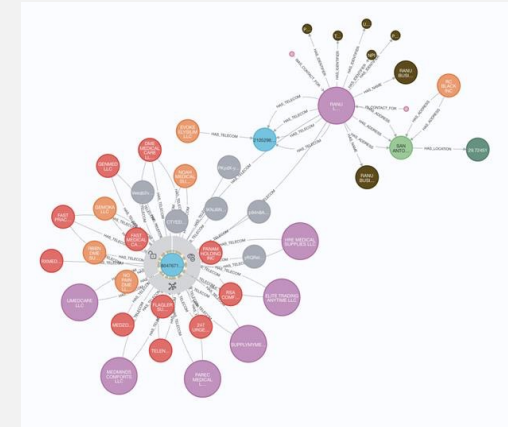
- 2-way data exchange to simplify provider workflows (EMRs)
- Gold Card Program, simplify prior authorizations
- Appointment scheduling and member experience enhancers

# Payment Integrity Next: Behavior-Oriented Fraud Detection Suite

## Current State: UHC combines Optum and selected key leading vendors



## Future State



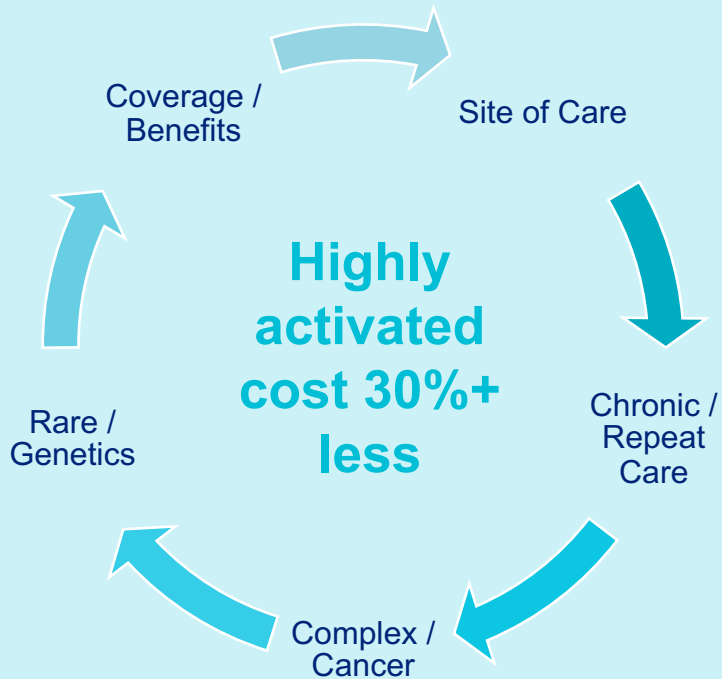
### Behavior-oriented fraud detection

LLMs that predict fraudulent providers based on factors such as connections to other flagged providers, location, background reports, telecom data and more.

**Comprehensive set of provider-centric predictive models** to identify outlier billing practices. Using a generalized risk factors AI/LLM model, identify **suspicious provider behavior earlier in the claim lifecycle** and be able to intervene upstream more rapidly.

# Quality Choices

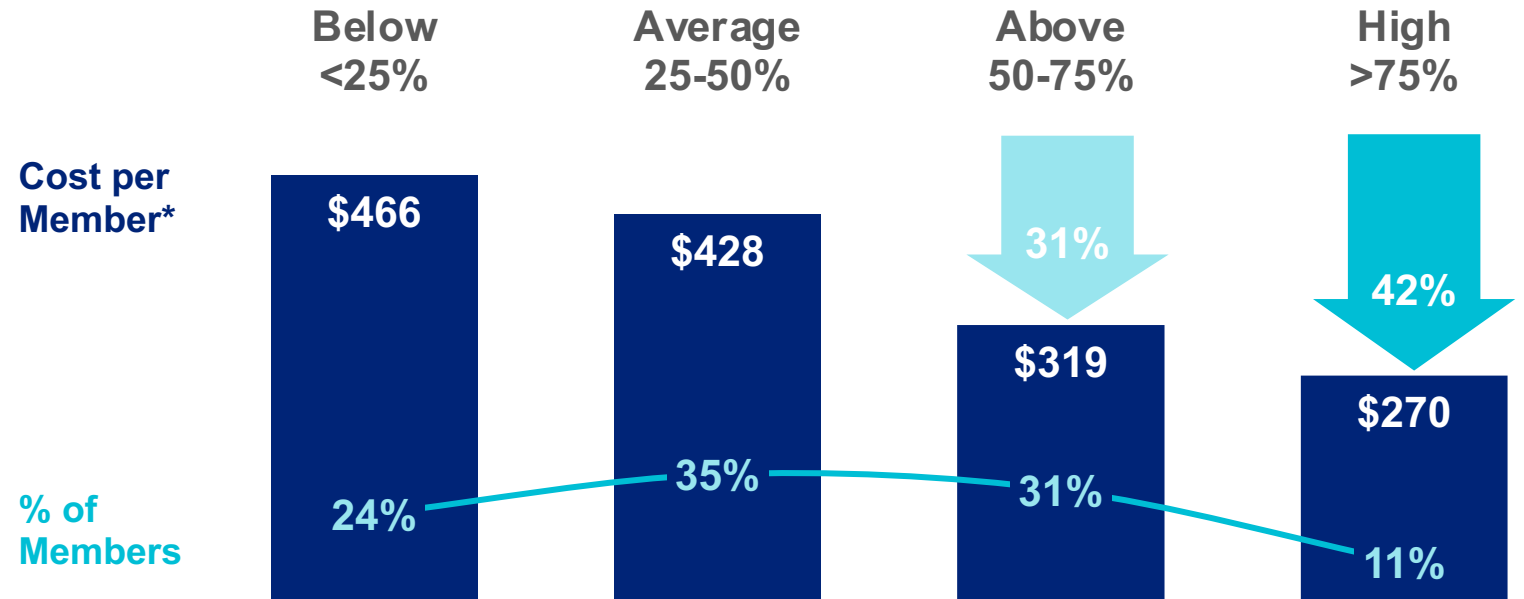
- ✓ Benefits design (Surest, COEs, ACOs, narrowing)
- ✓ Rewards and care companions
- ✓ Site of care (on demand, elective, complex and rare)



# Activated individuals cost 31-42% less

UnitedHealthcare Health Activation Index® (HAI)

## Risk-adjusted costs by activation (HAI) level



**75%** have a stable PCP relationship vs 33% for Below<sup>1</sup>

**1.6x** more likely to use a Premium (high quality) provider<sup>1</sup>

**~4 days shorter** disability duration for ortho, cancer and circulatory<sup>2</sup>

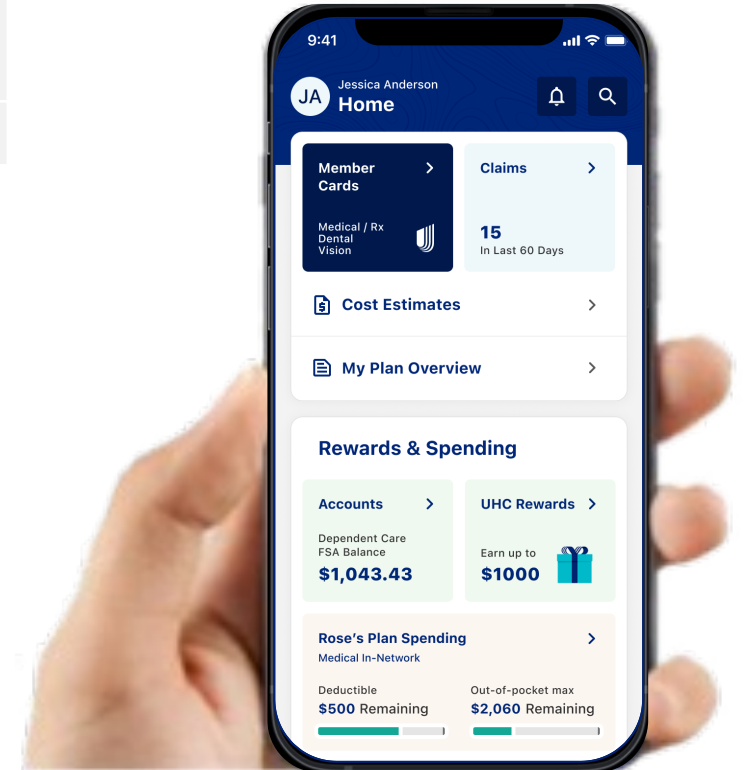
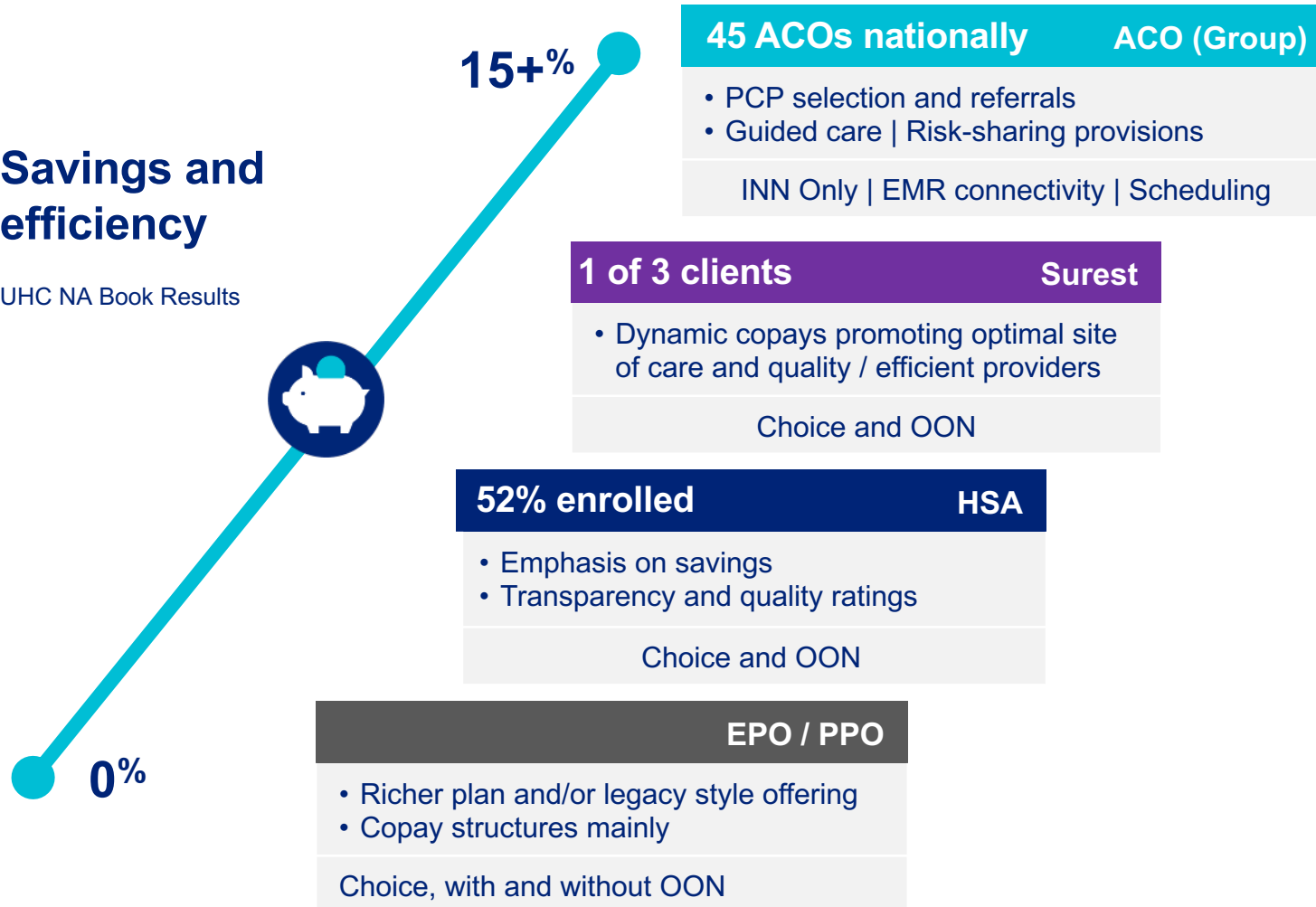
1. 2024 client risk adjusted allowed medical costs per member.

2. Aggregated client studies from 2018 to 2022 comparing STD duration by condition for members who had low vs high HAIs. HAI measures 56 high value choices at the member level across financial, resources and clinical / EBM.

# UHC / Surest purposeful offerings to drive affordability through higher value health choices

## Savings and efficiency

UHC NA Book Results



UnitedHealthcare estimates 90% of interactions will be digital in 3 years

# The Surest plan

## a key step towards simplicity

Only copays – no deductibles or coinsurance

- Lower copays for more effective and efficient care (Care ratings in 2025)
- Copays are bundled to include the services delivered in the same visit/admission
- No single copay exhausts the member's out-of-pocket maximum
- Members can search ahead of time to know what they will pay



**83%**

Engaged with app before care

**9.5**

Avg # of app sessions / year

**1M+**

Members  
(1 in 4 clients offer it)

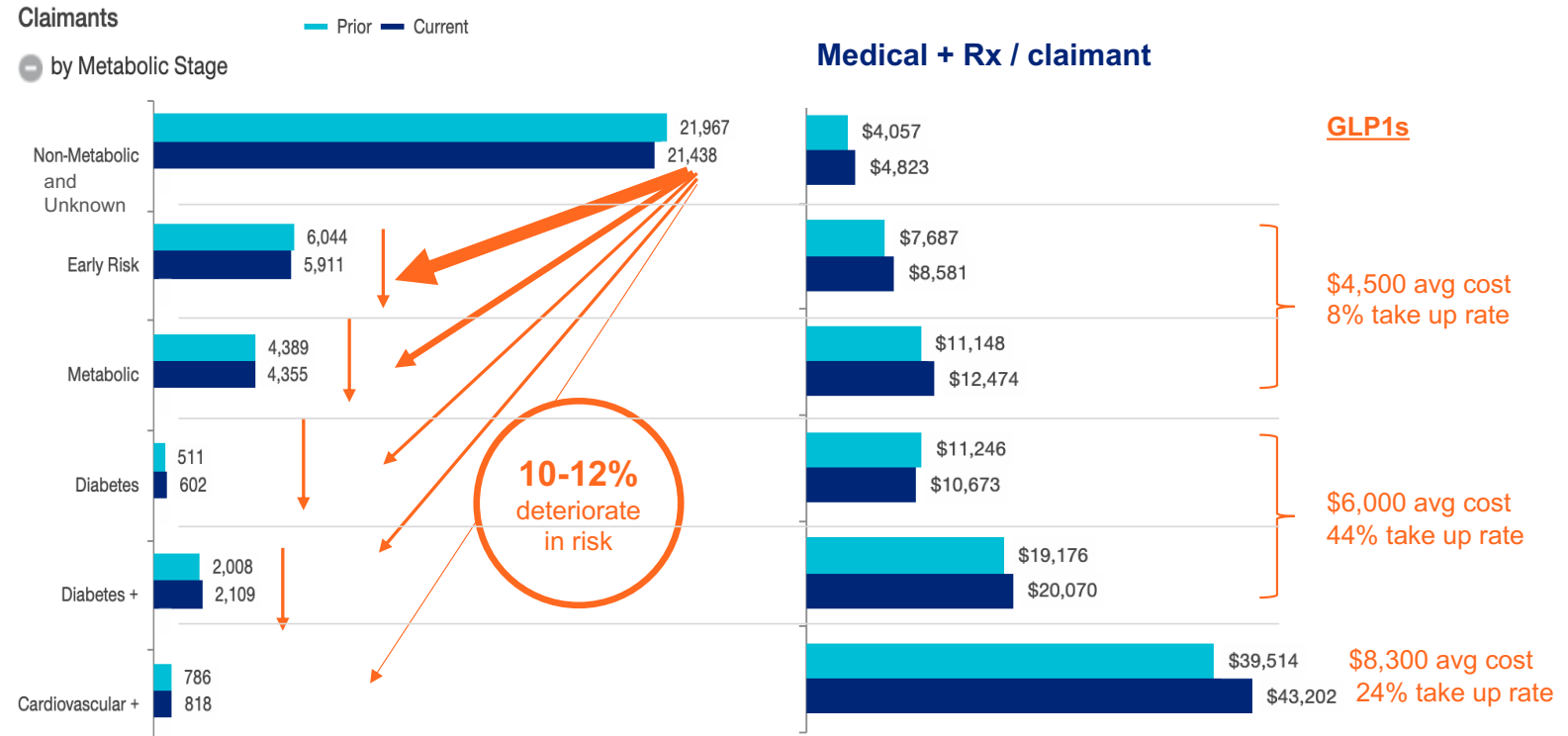
# Risk and Well-Being

- ✓ Prevention, coverage and rewards (motivation)
- ✓ Obesity and overall metabolic risk (GLP1s)
- ✓ Behavioral health and general well-being (productivity)



# Metabolic Risk: Cost and Trend

~10-12% deteriorate in risk each year | incremental cost of up to 3-4% in trend (client example)



1. Claimants in chart are all adults by metabolic phase. Migration rate is measured based on continuously enrolled subset of adults. 2024 vs 2023 actual migration vs expected given demo profile.
2. Cost of individuals deteriorating is 20-30% higher than 'ending' cohort. E.g. individuals who ended in Cardiovascular+ cost ~\$55-\$60,000 vs \$37,000 for those in that state already.
3. Stages; Early Risk (1 of obesity, cholesterol, hypertension); Metabolic (2 of); Diabetes+ (+ hypertension or cholesterol) Cardio+ (CAD, CHF). Based on available biometrics, labs, rx and claims data.

# “Seeing glucose is transformational”

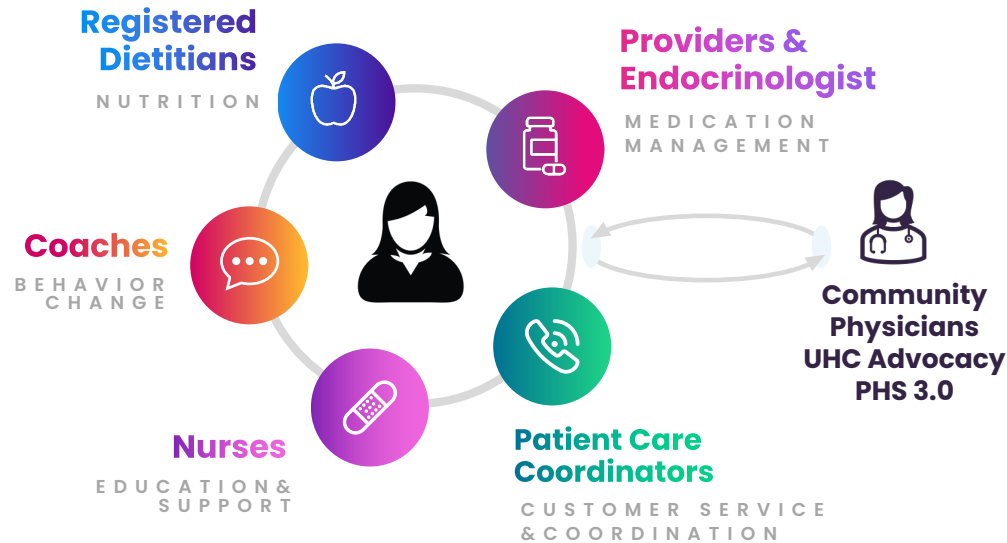
level2®

Level2: Improvement beyond management. A fresh total metabolic solution for employers.

**A prescribed, no-cost CGM**  
begins to reframe the condition



**Interdisciplinary team works together**  
to help & support members



**Modularity in offerings**

**Assured Value Programs**  
- Diabetes (original)

New 2026

- Obesity

- Advanced Obesity /  
Pre-Diabetes

## Results from Diabetes Assured Value Program

**32%**

of the EE type 2 population joined / active in Level2 (client 2024 result)

**79%**

of members with a starting A1c of >7.0 had clinically significant improvement

**-12%**

reduction in hospitalization rate<sup>2</sup>

**-40%**

reduction in diabetes ER visits<sup>3</sup>

**84**

Net Promoter Score of Level2 Specialty Care members, May-Aug 2024



# UnitedHealthcare®

There for what matters™



Member: John Smith

Group: ABC123

- Most advanced digital, clinical and advocacy platforms.
- High-value offerings and ongoing enhancements.
- Total cost of care focus to drive quality and affordability.
- A team that knows you well and focused on your business.

Member since 2025



**Next Gen  
Productivity**



**Value-Based**



**Retail  
Experience**

