

UnitedHealth care Group

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Outline

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Company overview

- Founded in 1999 and headquartered in Minnesota
- largest health insurance company based in the U.S.
- Also offers consulting services, and sales of medical products.



Products and services

- Health Insurance Plan
- Medicare
- Small Business Healthcare program
- Short Term Insurance
- Medicaid
- Dental, Vision, and Supplemental Plan
- Lost job coverage plans



Segments

- **UnitedHealthcare:** health insurance services
- **OptumHealth:** leading information and technology-enabled health services
- **OptumInsight:** technology, operational, and consulting services to other players in the healthcare industry.
- **OptumRx:** provides PBM (pharmacy benefit management) services



Industry overview

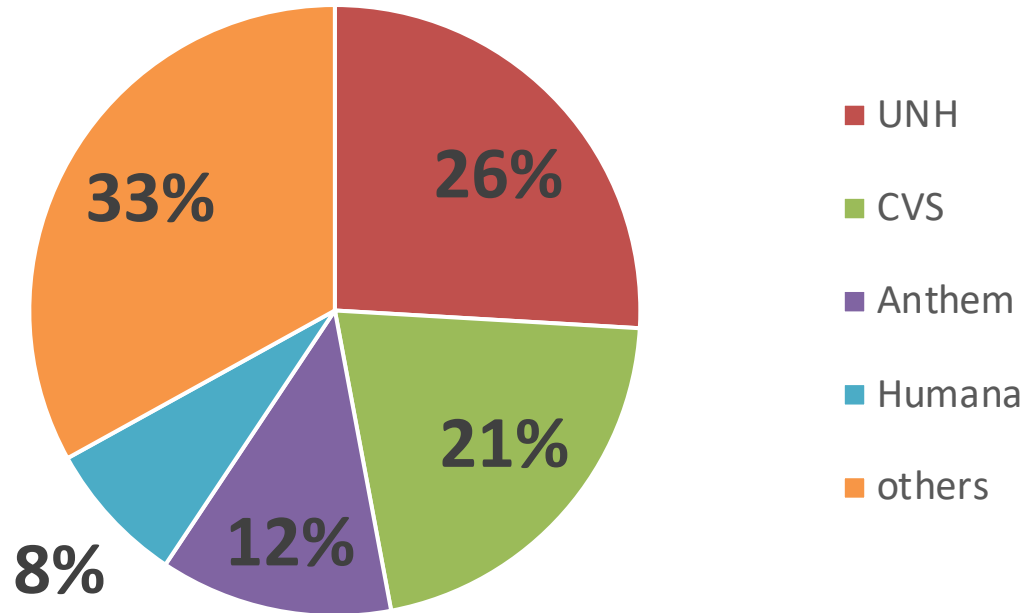
- Provides medical services, equipment, and health insurance to customers.
- Key Drivers:
 - technological innovation
 - integration of medicine and healthcare
 - smart healthcare data management and patient-centered restructuring.



Competitors

Market Share

- Anthem
- Aetna
- CVS Health
- Humana
- HCSC



Strengths

- Brand Reputation
- Financial Position
- Highly Skilled Workforce
- Premiums



weakness

- Liquidity ratio bellow industry
- Share price is higher than competitors



Opportunities

- insurance growth is predicted to rebound to 3%
- personalized services
- Shift from protection to prevention
- Online marketplace



Threats

- Information Breaches
- Politics
- Group insurance



Competitive Advantage

- UnitedHealth Group Incorporated has the highest revenue in the industry
- Revenue is above average compared to the industry of 5.2%
- Annual growth has outperformed the industry of 9.3%



Performance in 2021

	UNH	CVS	
Market cap	472.41	128.34	in Billions
Enterprise Value	495.83	184.32	In Billions
P/E	26.39	15.92	
Forward P/E	20.33	10.58	
PEG	1.57	1.29	
Price/sales	1.58	0.41	
Price/book	6.49	1.67	
ROA	7.19%	3.91%	
ROE	24.25%	10.94%	



Valuation

- WACC: 6.94%
- LT growth:
- Net reinvestment rate: 3.22%
- Value per Share \$498.1
- Market Price \$502.14
- Undervalued 1%
- Undervalued compared to CVS



UnitedHealth Group Reports Second Quarter 2022 Results

- Revenues of \$80.3 Billion Grew 13% Year-Over-Year, with Double-Digit Growth at both Optum and UnitedHealthcare
- Earnings from Operations were \$7.1 Billion, Growth of 19% Year-Over-Year
- Cash Flows from Operations were \$6.9 Billion, 1.3x Net Income
- Earnings were \$5.34 Per Share, Adjusted Earnings \$5.57 Per Share



Notes

- Decreased operational cost indicates productivity gains, offset by business mix and the investments the company continues to make to support future growth opportunities.
- Increased dividend reflects the company's sustained earnings growth profile and efficient capital structure.



Investment

- Buy ~ 100 Shares of UnitedHealthCare Group
- US\$50,000

