

UNITEDHEALTH GROUP INC
Form S-4
February 21, 2017
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As filed with the Securities and Exchange Commission on February 21, 2017

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

UnitedHealth Group Incorporated
(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

6324
(Primary Standard Industrial
Classification Code Number)
UnitedHealth Group Center

41-1321939
(IRS Employer
Identification No.)

9900 Bren Road East

Minnetonka, Minnesota 55343

(952) 936-1300

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

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Executive Vice President and Chief Legal Officer

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(952) 936-1300

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Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after the effectiveness of this registration statement and the satisfaction or waiver of the conditions to the transactions described herein.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, please check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act of 1933, as amended (the Securities Act), check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer		Accelerated filer
Non-accelerated filer	(Do not check if a smaller reporting company)	Smaller reporting company

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered	Proposed	Proposed	Amount of registration fee
		maximum offering price per share	maximum aggregate offering price	
Common stock, par value \$0.01 per share	12,821,978 shares (1)	N/A	\$2,040,432,204 (2)	\$236,486.09 (3)

(1) Represents the maximum number of shares of UnitedHealth Group Incorporated (UnitedHealth Group) common stock estimated to be issuable upon consummation of the offer and the mergers, and is based upon the sum of (i) 11,536,496, which is the product of 40,605,430 shares of Surgical Care Affiliates, Inc. (SCA) common stock outstanding as of February 15, 2017, multiplied by 0.2841, which represents the exchange ratio used to determine the number of shares of UnitedHealth Group common stock issuable in respect of SCA common stock under the merger agreement, as of February 15, 2017 (and which is subject to adjustment as provided therein), and (ii) 1,285,333, which is the product of 3,619,181 shares of SCA common stock reserved for issuance in respect of compensatory SCA equity awards outstanding as of February 15, 2017 or potentially issuable as permitted under

the merger agreement between the date hereof and the closing date of the mergers, multiplied by 0.3551, which represents the exchange ratio used to determine the number of shares of UnitedHealth Group common stock issuable in respect of SCA common stock underlying compensatory SCA equity awards under the merger agreement, as of February 15, 2017 (and which is subject to adjustment as provided therein). In accordance with Rule 416, this registration statement also covers an indeterminate number of additional shares of UnitedHealth Group securities as may be issuable as a result of stock splits, stock dividends or similar transactions.

- (2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457 under the Securities Act on the basis of the market value of the shares of SCA common stock to be exchanged in the offer and the mergers, computed in accordance with Rule 457(f)(1), Rule 457(f)(3) and Rule 457(c) based on (a) the product of (i) \$56.61, the average of the high and low sales prices per share of SCA common stock on February 15, 2017, as reported by Nasdaq, and (ii) 44,224,611, the estimated number of shares of SCA common stock to be exchanged in the offer and the mergers, less (b) the product of (x) \$11.40, the minimum cash consideration that will be paid by UnitedHealth Group to SCA stockholders in the offer and the mergers, and (y) 40,605,430, the estimated number of shares of SCA common stock to be exchanged in the offer and the mergers for the minimum cash consideration.
- (3) The amount of the filing fee, calculated in accordance with Rule 457(f) under the Securities Act, equals 0.0001159 multiplied by the proposed maximum offering price.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information in this document may change. The registrant may not complete the transactions and issue these securities until the registration statement filed with the U.S. Securities and Exchange Commission is effective. This document is not an offer to sell these securities and the registrant is not soliciting an offer to buy these securities in any state or jurisdiction in which such offer is not permitted.

PRELIMINARY AND SUBJECT TO CHANGE, DATED FEBRUARY 21, 2017

Offer by

SPARTAN MERGER SUB 1, INC.,

an indirect wholly owned subsidiary of

UNITEDHEALTH GROUP INCORPORATED,

to exchange each outstanding share of common stock of

SURGICAL CARE AFFILIATES, INC.

for

\$11.40 in cash

and

\$45.60 in the fair market value of shares of the common stock of UnitedHealth Group Incorporated

(subject to an increase in cash and proportional decrease in fair market value of shares of the common stock of UnitedHealth Group Incorporated, and to the other terms and conditions described in this prospectus/offer to exchange and the accompanying letter of transmittal)

THE OFFER AND THE WITHDRAWAL RIGHTS WILL EXPIRE AT 12:01 A.M., NEW YORK CITY TIME, ON TUESDAY, MARCH 21, 2017, UNLESS EARLIER EXTENDED OR TERMINATED.

UnitedHealth Group Incorporated (UnitedHealth Group), through its indirect wholly owned subsidiary, Spartan Merger Sub 1, Inc. (the Offeror), is offering, upon the terms and subject to the conditions set forth in this prospectus/offer to exchange and in the accompanying letter of transmittal, to exchange (such offer to exchange, the offer) for each outstanding share of common stock of Surgical Care Affiliates, Inc. (SCA), par value \$0.01 per share, that is validly tendered in the offer and not properly withdrawn:

\$11.40 in cash, without interest and less any applicable withholding taxes (the default cash consideration); and

a number of shares of UnitedHealth Group common stock, par value \$0.01 per share, equal to the amount obtained by dividing \$45.60 by the volume weighted average of the closing sale prices per share of UnitedHealth Group common stock on the New York Stock Exchange (the NYSE), as reported in the New York City edition of *The Wall Street Journal* on each of the five full consecutive trading days ending on and including the third business day prior to the final expiration date of the offer, together with cash in lieu of any fractional shares of UnitedHealth Group common stock, without interest and less any applicable withholding taxes (the default stock consideration).

We refer to the default cash consideration and the default stock consideration together as the default transaction consideration. In lieu of delivering the default transaction consideration, UnitedHealth Group may, by providing written notice to SCA no later than 5:00 p.m., New York City time, on the tenth business day prior to the final expiration date of the offer, deliver (i) an amount in cash greater than the default cash consideration and not to exceed \$27.93 per share of SCA common stock, without interest and less any applicable withholding taxes (we refer to the cash consideration, including as it may be increased at UnitedHealth Group's election, as the applicable cash consideration), and (ii) a number of shares of UnitedHealth Group common stock equal to (a) \$57.00 minus the applicable cash consideration, divided by (b) the volume weighted average of the closing sale prices per share of UnitedHealth Group common stock on the NYSE, as reported in the New York City edition of *The Wall Street Journal* on each of the five full consecutive trading days ending on and including the third business day prior to the final expiration date of the offer, together with cash in lieu of any fractional shares of UnitedHealth Group common stock, without interest and less any applicable withholding taxes (we refer to the stock consideration, including as it may be decreased at UnitedHealth Group's election, as the applicable stock consideration). We refer to the applicable cash consideration and the applicable stock consideration together as the transaction consideration.

The Offeror's obligation to accept for exchange, and to exchange, shares of SCA common stock for cash and shares of UnitedHealth Group common stock in the offer is subject to a number of conditions, including there having been validly tendered and not properly withdrawn at least the number of shares of SCA common stock that, together with any shares of SCA common stock owned by UnitedHealth Group, the Offeror, and UnitedHealth Group's other subsidiaries, represents at least a majority of the outstanding shares of SCA common stock. See Merger Agreement Conditions to the Offer for a description of all such conditions.

The offer is being made pursuant to an Agreement and Plan of Reorganization (the merger agreement), dated January 7, 2017, among UnitedHealth Group, the Offeror, Spartan Merger Sub 2, LLC (Merger Sub), and SCA. A copy of the merger agreement is attached to this document as Annex A.

The offer is the first step in UnitedHealth Group's plan to acquire control of, and ultimately all of the outstanding equity in, SCA. As a second step in such plan, if the offer is completed, pursuant to the terms and subject to the conditions of the merger agreement, as soon as practicable following the consummation of the offer, UnitedHealth Group intends to consummate a merger of the Offeror with and into SCA, with SCA surviving the merger as an indirect wholly owned subsidiary of UnitedHealth Group (the first merger). Immediately following the first merger, the surviving corporation will merge with and into Merger Sub (the second merger and together with the first merger, the mergers, and the mergers together with the offer, the transactions), with Merger Sub surviving the second merger. As a result of the second merger, the surviving corporation will be converted from a corporation into a limited liability company.

The purpose of the first merger is for UnitedHealth Group to acquire all shares of SCA common stock that it did not acquire in the offer. In the first merger, each outstanding share of SCA common stock that was not acquired by the Offeror in the offer (other than certain dissenting, converted and cancelled shares as described further in this document) will be converted into the right to receive the transaction consideration. After the first merger, SCA, as the surviving corporation, will be an indirect wholly owned subsidiary of UnitedHealth Group, and the former stockholders of SCA will no longer have any direct ownership interest in the surviving corporation. The first merger

will be governed by Section 251(h) of the General Corporation Law of the State of Delaware (the "DGCL"). Accordingly, if the offer is completed (such that the Offeror owns at least a majority of the outstanding shares of SCA common stock), no stockholder vote will be required to complete the first merger.

The board of directors of SCA unanimously determined and resolved that the terms of the offer, the mergers and the other transactions contemplated by the merger agreement are advisable, and fair to and in the best interests of, SCA and its stockholders. The board of directors of SCA has also unanimously resolved to recommend that the stockholders of SCA accept the offer and tender their shares of SCA common stock to the Offeror pursuant to the offer.

UnitedHealth Group common stock is listed on the NYSE under the symbol "UNH," and SCA common stock is listed on the Nasdaq Global Select Market under the symbol "SCAI." You are encouraged to obtain current market quotations for UnitedHealth Group common stock and SCA common stock in connection with your decision to tender your shares in the offer.

If the offer is successful and the first merger is completed, holders of SCA common stock who have not properly tendered in the offer, and who otherwise comply with the applicable procedures for demanding appraisal under Section 262 of the DGCL, will be entitled to seek appraisal for the fair value of their shares of SCA common stock as determined by the Delaware Court of Chancery. To exercise appraisal rights, a SCA stockholder must strictly comply with all of the procedures under the DGCL. These procedures are described more fully in the section of this document entitled "The Transactions - Appraisal Rights."

For a discussion of certain factors that SCA stockholders should consider in connection with the offer and the mergers, please read the section of this document entitled "Risk Factors" beginning on page 15.

You are encouraged to read this entire document and the related letter of transmittal carefully, including the annexes and information referred to or incorporated by reference in this document.

Neither UnitedHealth Group nor the Offeror has authorized any person to provide any information or to make any representation in connection with the offer other than the information contained or incorporated by reference in this document, and if any person provides any information or makes any representation of this kind, that information or representation must not be relied upon as having been authorized by UnitedHealth Group or the Offeror.

Neither the U.S. Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this document. Any representation to the contrary is a criminal offense.

The date of this prospectus/offer to exchange is February 21, 2017.

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ADDITIONAL INFORMATION

As permitted by the U.S. Securities and Exchange Commission (the SEC), this document incorporates by reference important business and financial information about UnitedHealth Group, SCA and their respective subsidiaries from documents filed with the SEC that have not been included in or delivered with this document.

This information is available without charge at the SEC's website at www.sec.gov, as well as from other sources.

You can obtain the documents incorporated by reference in this document, without charge, by requesting them in writing or by telephone from UnitedHealth Group at the following address and telephone number:

Investor Relations

UnitedHealth Group Incorporated

UnitedHealth Group Center

9900 Bren Road East

Minnetonka, Minnesota 55343

(800) 328-5979

In addition, if you have questions about the offer or the mergers, or if you need to obtain copies of this document, the letter of transmittal or other documents incorporated by reference in this document, you may contact the company listed below. You will not be charged for any of the documents you request.

D. F. King & Co., Inc.

48 Wall Street, 22nd Floor

New York, NY 10005

Banks and Brokers Call Collect: (212) 269-5550

All Others Call Toll-Free: (800) 431-9645

Email: UNH@dfking.com

If you would like to request documents, in order to receive timely delivery prior to the expiration of the offer, please make your request at least five (5) business days prior to the expiration date of the offer. The offer is scheduled to expire at 12:01 a.m., New York City time, on Tuesday, March 21, 2017, unless earlier extended or terminated. **Unless the offer is extended, this means that the latest you should request documents is Tuesday, March 14, 2017.**

For a more detailed description of the information incorporated by reference in this document and how you may obtain it, please see the section of this prospectus/offer to exchange entitled "Where to Obtain Additional Information."

SCA has supplied all information contained or incorporated by reference in this document relating to SCA, and UnitedHealth Group has supplied all information contained or incorporated by reference in this document relating to UnitedHealth Group. Both SCA and UnitedHealth Group have contributed information relating to the offer and the mergers.

Certain information relating to SCA appears in the Solicitation/Recommendation Statement on Schedule 14D-9 dated as of the date of this document and filed by SCA with the SEC (the Schedule 14D-9). The Schedule 14D-9 is being mailed to SCA stockholders on or about February 21, 2017.

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QUESTIONS AND ANSWERS ABOUT THE TRANSACTIONS

Below are answers to certain questions that you as a holder of SCA shares may have regarding the offer and the mergers, as such terms are defined below. You are urged to carefully read the remainder of this document, the related letter of transmittal, the annexes to this document and the other documents to which we have referred or incorporated by reference because the information contained in this section and in the Summary section may not provide all of the information that might be important to you in determining whether to tender your SCA shares into the offer. For a description of, and instructions as to how to obtain, this additional information, see Where to Obtain Additional Information.

As used in this document, unless otherwise indicated or the context requires: UnitedHealth Group (or we, us and our) refers to UnitedHealth Group Incorporated, a Delaware corporation; the Offeror refers to Spartan Merger Sub 1, Inc., a Delaware corporation and an indirect wholly owned subsidiary of UnitedHealth Group; Merger Sub refers to Spartan Merger Sub 2, LLC, a Delaware limited liability company and a direct wholly owned subsidiary of UnitedHealth Group; SCA refers to Surgical Care Affiliates, Inc., a Delaware corporation, and its consolidated subsidiaries; UnitedHealth Group common stock refers to the common stock of UnitedHealth Group, par value \$0.01 per share; SCA common stock refers to the common stock of SCA, par value \$0.01 per share; UnitedHealth Group shares refers to shares of UnitedHealth Group common stock; SCA shares refers to shares of SCA common stock; and merger agreement refers to the Agreement and Plan of Reorganization, dated January 7, 2017, by and among UnitedHealth Group, the Offeror, Merger Sub and SCA (as it may be amended from time to time), a copy of which is included as Annex A to this document.

Who is offering to buy my SCA shares?

UnitedHealth Group, through the Offeror, is making this offer to exchange (the offer) cash and UnitedHealth Group shares for all of the outstanding SCA shares. UnitedHealth Group is a diversified health and well-being company dedicated to helping people live healthier lives and making the health system work better for everyone. Through a diversified family of businesses, we leverage core competencies in advanced, enabling technology; health care data, information and intelligence; and clinical care management and coordination to help meet the demands of the health system. These core competencies are deployed within our two distinct, but strategically aligned, business platforms: health benefits operating under UnitedHealthcare and health services operating under Optum.

What is UnitedHealth Group proposing?

Pursuant to the terms of and subject to the conditions set forth in the merger agreement, UnitedHealth Group proposes to acquire control of, and ultimately all of the outstanding equity in, SCA.

The offer is the first step in UnitedHealth Group's plan to acquire all of the outstanding SCA shares, and the first merger (as defined below) is the second step in such plan.

In the offer, if a sufficient number of shares of SCA common stock are validly tendered into the offer and not properly withdrawn such that, together with any shares of SCA common stock owned by UnitedHealth Group, the Offeror and UnitedHealth Group's other subsidiaries, UnitedHealth Group will directly or indirectly own at least a majority of the then-outstanding shares of SCA common stock, subject to the satisfaction or waiver of the other conditions to the offer, the Offeror will accept for exchange, and exchange, the SCA shares validly tendered and not properly withdrawn in the offer for the transaction consideration, as such term is defined below.

As soon as practicable following the completion of the offer, and as the second step in UnitedHealth Group's plan to acquire all of the outstanding SCA shares, the Offeror will merge with and into SCA, with SCA surviving the merger as an indirect wholly owned subsidiary of UnitedHealth Group (the first merger). The purpose of the first merger is for UnitedHealth Group to acquire all remaining shares of SCA common stock that

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it did not acquire in the offer. In the first merger, each outstanding share of SCA common stock that was not acquired by the Offeror in the offer (other than certain dissenting, converted and cancelled shares, as described further in this document) will be converted into the right to receive the transaction consideration.

After the first merger, SCA, as the surviving corporation, will be an indirect wholly owned subsidiary of UnitedHealth Group, and the former stockholders of SCA will no longer have any direct ownership interest in the surviving corporation. The first merger will be governed by Section 251(h) of the General Corporation Law of the State of Delaware (the "DGCL"), and accordingly, if the offer is completed, no stockholder vote will be required to consummate the first merger. Immediately following the first merger, the surviving corporation in the first merger will merge with and into Merger Sub (the "second merger", together with the first merger, the "mergers" and the "mergers together with the offer, the "transactions"), with Merger Sub surviving the second merger. The second merger will be governed by Section 267 of the DGCL and Section 18-209(i) of the Limited Liability Company Act of the State of Delaware (the "DLLCA"). As a result of the second merger, the surviving corporation will be converted from a corporation into a limited liability company. It is intended that the offer and the mergers, taken together, will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code"). Please read the discussion under "Material U.S. Federal Income Tax Consequences" for more information.

What are the classes and amounts of SCA securities that UnitedHealth Group is offering to acquire?

UnitedHealth Group, through the Offeror, is seeking to acquire all of the issued and outstanding shares of SCA common stock, par value \$0.01 per share.

What will I receive for my shares of SCA common stock?

UnitedHealth Group, through the Offeror, is offering, upon the terms and subject to the conditions set forth in this document and in the accompanying letter of transmittal, to exchange for each outstanding share of SCA common stock that is validly tendered in the offer and not properly withdrawn:

\$11.40 in cash, without interest and less any applicable withholding taxes (the "default cash consideration"); and

a number of shares of UnitedHealth Group common stock, par value \$0.01 per share, equal to the amount obtained by dividing \$45.60 by the volume weighted average of the closing sale prices per share of UnitedHealth Group common stock on the New York Stock Exchange (the "NYSE"), as reported in the New York City edition of *The Wall Street Journal* on each of the five full consecutive trading days ending on and including the third business day prior to the final expiration date of the offer, together with cash in lieu of any fractional shares of UnitedHealth Group common stock, without interest and less any applicable withholding taxes (the "default stock consideration").

We refer to the default cash consideration and the default stock consideration as the "default transaction consideration." In lieu of delivering the default transaction consideration, UnitedHealth Group may, by providing written notice to SCA no later than 5:00 p.m., New York City time, on the tenth business day prior to the final expiration date of the offer, deliver (i) an amount in cash greater than the default cash consideration and not to exceed \$27.93 per share of SCA common stock, without interest and less any applicable withholding taxes (we refer to the cash consideration, including as it may be increased at UnitedHealth Group's election, as the "applicable cash consideration"), and (ii) a number of shares of UnitedHealth Group common stock equal to (a) \$57.00 minus the applicable cash consideration,

divided by (b) the volume weighted average of the closing sale prices per share of UnitedHealth Group common stock on the NYSE, as reported in the New York City edition of *The Wall Street Journal* on each of the five full consecutive trading days ending on and including the third business day prior to the final expiration date of the offer, together with cash in lieu of any fractional shares of UnitedHealth Group common stock, without interest and less any applicable withholding taxes (we refer to the stock consideration, including as it may be decreased at UnitedHealth Group's election, as the applicable stock

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consideration). We refer to the applicable cash consideration and the applicable stock consideration together as the transaction consideration.

If you do not tender your shares into the offer but the first merger is completed, you will also receive the transaction consideration in the first merger in exchange for your shares of SCA common stock.

When and how will I know whether UnitedHealth Group elects to increase the cash portion of the transaction consideration?

If UnitedHealth Group elects to increase the cash portion and decrease the stock portion of the transaction consideration, UnitedHealth Group will provide written notice to SCA no later than 5:00 p.m., New York City time, on the tenth business day prior to the final expiration date of the offer. Promptly following such notice and no later than 9:00 a.m., New York City time, on the next business day, the Offeror will make a public announcement concerning such election and the transaction consideration. Such public announcement must occur at least ten business days before the final expiration date of the offer.

If UnitedHealth Group does not elect to increase the cash consideration and decrease the stock consideration, the holders of SCA shares will receive the default transaction consideration.

Why is UnitedHealth Group proposing the offer and the mergers?

UnitedHealth Group is proposing the offer and the first merger to acquire control of, and ultimately the entire equity interest in, SCA. After the first merger, the SCA business will be held in a wholly owned subsidiary of UnitedHealth Group, and the former SCA stockholders will no longer have any direct ownership interest in this entity. See The Transactions UnitedHealth Group s Reasons for the Transactions for more information.

Does the board of directors of SCA support the transactions?

Yes. The board of directors of SCA (the SCA Board) unanimously determined and resolved that the terms of the offer, the mergers and the other transactions contemplated by the merger agreement were advisable, fair to and in the best interests of, SCA and its stockholders. The SCA Board has also unanimously resolved to recommend that the holders of SCA shares accept the offer and tender their shares of SCA common stock to the Offeror pursuant to the offer.

See The Transactions SCA s Reasons for the Transactions; Recommendation of the Board of Directors of SCA for more information. A description of the reasons for this recommendation is also set forth in the Schedule 14D-9 that is being mailed to you together with this document.

Have any of SCA s stockholders agreed to support the transactions?

Yes. Concurrently with the execution of the merger agreement, each of TPG FOF V-A, L.P., TPG FOF V-B, L.P. and TPG Partners V, L.P. (collectively, the TPG stockholders) which, as of January 5, 2017, beneficially owned, in the aggregate, approximately 30% of the outstanding shares of SCA common stock, entered into a tender and support agreement (the tender and support agreement) with UnitedHealth Group and the Offeror, pursuant to which, among other things and subject to the terms and conditions therein, each TPG stockholder agreed to tender and not withdraw all of such TPG stockholder s SCA shares into the offer. See Tender and Support Agreement for more information.

Will I have to pay any fee or commission to exchange my SCA shares?

If you are the record owner of your SCA shares and you tender those shares in the offer, you will not have to pay any brokerage fees, commissions or similar expenses. If you own your shares of SCA common stock through

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a broker, dealer, commercial bank, trust company or other nominee and your broker, dealer, commercial bank, trust company or other nominee tenders your SCA shares on your behalf, your broker or such other nominee may charge a fee for doing so. You should consult your broker, dealer, commercial bank, trust company or other nominee to determine whether any charges will apply.

What are the conditions to the offer?

The Offeror and UnitedHealth Group are not obligated to consummate the offer unless the following conditions, among others, have been satisfied:

Minimum Tender Condition SCA stockholders having validly tendered and not properly withdrawn prior to the expiration of the offer a number of shares of SCA common stock that, together with any shares of SCA common stock then owned by UnitedHealth Group, the Offeror or any other subsidiary UnitedHealth Group, represents at least a majority of all then-outstanding SCA shares (the minimum tender condition);

HSR Clearance any waiting period (and extensions thereof) applicable to the offer and the mergers under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the HSR Act), having expired or been terminated;

Effectiveness of Form S-4 the registration statement on Form S-4, of which this document is a part, having been declared effective by the SEC under the U.S. Securities Act of 1933, as amended (the Securities Act), and no stop order suspending the effectiveness of such registration statement having been issued or proceeding seeking a stop order having been initiated or threatened by the SEC;

Listing of UnitedHealth Group Common Stock the UnitedHealth Group shares to be issued in the offer and the first merger having been approved for listing on the NYSE, subject to official notice of issuance;

Accuracy of SCA's Representations the representations and warranties of SCA contained in the merger agreement being true and correct as of the date of the merger agreement and the expiration date of the offer, subject to specified materiality standards;

SCA's Compliance with Covenants SCA having performed and complied in all material respects with all covenants and agreements required by the merger agreement to be performed or complied with by SCA prior to the expiration date;

No Legal Prohibition there being no injunction, whether temporary, preliminary or permanent, by any court or other tribunal of competent jurisdiction or law that has been adopted and is effective that, in each case, prohibits or makes illegal the consummation of the offer or the mergers;

Tax Opinions the receipt of written opinions by UnitedHealth Group and SCA from their respective legal counsel, dated as of the expiration date of the offer, to the effect that, on the basis of certain facts, representations and assumptions set forth or referred to in such opinions, the offer and the mergers, taken together, will qualify as a reorganization within the meaning of Section 368(a) of the Code;

No Merger Agreement Termination the merger agreement not having been terminated in accordance with its terms; and

Required Health Care Regulatory Consents SCA having obtained all consents, authorizations, waivers and approvals and having made all filings, applications and notices, in each case, with respect to certificates of need and licenses to operate as an ambulatory surgery center or a hospital, as the case may be, required to be obtained by SCA pursuant to applicable health care laws in order to consummate the transactions with respect to at least 94% of all facilities that provide health care services that are operated or managed by SCA, its subsidiaries or certain related entities of SCA.

For a more complete description of the conditions to the offer, see the section entitled Merger Agreement Conditions to the Offer.

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UnitedHealth Group's obligation to consummate the offer is not conditioned upon any financing arrangements or contingencies. See [The Transactions](#) [Source and Amount of Funds](#).

How long will it take to complete the offer and the mergers?

The offer and the mergers are currently expected to be completed in the first half of 2017, subject to the satisfaction or waiver of the conditions described in [Merger Agreement](#) [Conditions to the Offer](#) and [Merger Agreement](#) [Conditions to the Mergers](#).

Until what time can I tender my shares of SCA common stock in the offer?

The offer is scheduled to expire at 12:01 a.m., New York City time, on Tuesday, March 21, 2017, unless extended or earlier terminated. Any extension, delay, termination, waiver or amendment of the offer will be followed as promptly as practicable by public announcement thereof to be made no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration date. During any such extension, all shares previously tendered and not properly withdrawn will remain subject to the offer, subject to the rights of a tendering stockholder to withdraw such stockholder's shares. Expiration date means Tuesday, March 21, 2017, unless and until the Offeror has extended or re-extended the period during which the offer is open, subject to the terms and conditions of the merger agreement or as required by applicable laws, in which event the term expiration date means the subsequent time and date at which the offer, as so extended or re-extended by the Offeror, will expire.

Subject to the provisions of the merger agreement, and unless the offer or the merger agreement is terminated in accordance with its terms, (1) the Offeror must (and UnitedHealth Group must cause the Offeror to) extend the offer for any period required by the U.S. federal securities laws and rules and regulations of the SEC and its staff or of the Nasdaq Global Select Market ([Nasdaq](#)) (but in no event will the Offeror be required to extend the offer past July 7, 2017 (the end date)), and (2) if the offer conditions are not satisfied at any scheduled expiration date, the Offeror may (and must, if requested by SCA) extend the offer and the expiration date for not more than 10 business days after the previously scheduled expiration date. If, as of any expiration date, the HSR clearance condition or the minimum tender condition have not been satisfied, and if the Offeror elects to, or if SCA requests that the Offeror, extend the offer and the expiration date, the Offeror will extend the offer and the then-scheduled expiration date to a date that is not more than 20 business days after the then-scheduled expiration date (but which may in no event be later than the end date). However, in no event will the Offeror be required to (and will not, if requested by SCA) extend the offer to a date that is after the later of (i) 30 calendar days following the satisfaction of each of the conditions related to HSR clearance, effectiveness of the registration statement on Form S-4 of which this document is a part, the approval for listing of the UnitedHealth Group shares to be issued in the offer and the first merger and required health care regulatory consents, and (ii) May 7, 2017.

If the merger agreement is terminated, the Offeror will promptly terminate the offer.

Other than in connection with the termination of the merger agreement, the Offeror may not terminate or withdraw the offer without the prior written consent of SCA.

Any decision to extend, terminate or withdraw the offer will be made public by a press release or otherwise by a public announcement.

See [Exchange Offer Procedures](#) [Extension, Termination and Amendment of Offer](#).

How do I tender my shares of SCA common stock?

To validly tender shares of SCA common stock held of record, SCA stockholders must:

if such shares are held in book entry form directly with SCA via the direct registration system, deliver a properly completed and duly executed letter of transmittal, along with any required signature

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guarantees and any other required documents, if applicable, for tendered SCA shares to Wells Fargo Bank, N.A., the exchange agent for the offer, at its address set forth elsewhere in this document and the letter of transmittal, all of which must be received by the exchange agent prior to the expiration date; or

if such shares are in electronic book-entry form, deliver an agent's message in connection with a book-entry transfer, and any other required documents, to the exchange agent at its address set forth elsewhere in this document and the letter of transmittal and follow the other procedures for book-entry tender set forth herein, all of which must be received by the exchange agent prior to the expiration date.

If your shares of SCA common stock are held in street name (i.e., through a broker, dealer, commercial bank, trust company or other nominee), those shares may be tendered by your nominee by book-entry transfer through The Depository Trust Company. To validly tender such shares held in street name, you should instruct such nominee to do so prior to the expiration date.

We are not providing for guaranteed delivery procedures. Accordingly, you must allow sufficient time for the necessary tender procedures to be completed during normal business hours prior to the expiration date.

Tenders received by the exchange agent after the expiration date will be disregarded and of no effect. In all cases, you will receive your consideration for your tendered shares only after timely receipt by the exchange agent of a confirmation of a book-entry transfer of such shares, and a properly completed and duly executed letter of transmittal and any other required documents.

For a more complete discussion of the procedures for tendering your shares of SCA common stock, see Exchange Offer Procedures Procedures for Tendering.

Until what time can I withdraw tendered shares of SCA common stock?

You may withdraw your previously tendered shares of SCA common stock at any time until the offer has expired (as the same may be extended) or if the Offeror fails to promptly accept and pay for your tendered SCA shares. Once the Offeror accepts your tendered shares for exchange, however, you will no longer be able to withdraw them. For a more complete discussion of the procedures for withdrawing your SCA shares, see Exchange Offer Procedures Withdrawal Rights.

How do I withdraw previously tendered shares of SCA common stock?

To withdraw previously tendered shares of SCA common stock that are held of record, you must deliver a written notice of withdrawal with the required information to the exchange agent at any time at which you have the right to withdraw such shares.

To withdraw previously tendered shares of SCA common stock that are held in street name, you must instruct your broker, dealer, commercial bank, trust company or other nominee to arrange for the withdrawal of your shares and such broker, dealer, commercial bank, trust company or other nominee must effectively withdraw such shares at any time at which you have the right to withdraw such shares.

For a more complete discussion of the procedures for withdrawing your SCA shares, including the applicable deadlines for effecting withdrawals, see Exchange Offer Procedures Withdrawal Rights.

When and how will I receive the transaction consideration in exchange for my tendered shares of SCA common stock?

Upon the terms and subject to the satisfaction or waiver of the conditions of the offer (including, if the offer is extended or amended, the terms and conditions of any extension or amendment), promptly following the expiration date, the Offeror will accept for exchange, and will thereafter promptly exchange, all shares of SCA common stock validly tendered and not properly withdrawn prior to the expiration date.

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The Offeror will deliver the transaction consideration for your validly tendered and not properly withdrawn shares through the exchange agent, which will act as your agent for the purpose of receiving the transaction consideration from the Offeror and transmitting such transaction consideration to you. In all cases, you will receive the transaction consideration for your tendered shares only after timely receipt by the exchange agent a confirmation of a book-entry transfer of such shares, and a properly completed and duly executed letter of transmittal and any other required documents for such shares.

Why does the cover page to this document state that this offer is preliminary and subject to change, and that the registration statement filed with the SEC is not yet effective? Does this mean that the offer has not commenced?

No. Completion of this document and effectiveness of the registration statement are not necessary to commence this offer. The offer was commenced on the date of the initial filing of the registration statement on Form S-4 of which this document is a part. UnitedHealth Group cannot, however, accept for exchange any SCA shares tendered in the offer or issue any UnitedHealth Group shares in exchange for SCA Shares until the registration statement is declared effective by the SEC and the other conditions to the offer have been satisfied or waived.

What happens if I do not tender my shares of SCA common stock?

If UnitedHealth Group completes the offer, it intends to complete the first merger as soon as practicable following the completion of the offer. Upon consummation of the first merger, each share of SCA common stock that has not been tendered and accepted for exchange in the offer, unless appraisal under Delaware law for such shares has been properly demanded, and other than shares held in treasury by SCA or shares held by UnitedHealth Group or any subsidiary of UnitedHealth Group, will be converted in the first merger into the right to receive the transaction consideration.

If the offer is completed, will SCA continue as a public company?

No. If the first merger takes place, SCA will no longer be publicly traded, and the SCA business will be held in an indirect wholly owned subsidiary of UnitedHealth Group. UnitedHealth Group is required, on the terms and subject to the satisfaction or waiver of the conditions set forth in the merger agreement, to consummate the first merger as soon as practicable following its acceptance for exchange of shares of SCA common stock in the offer. The first merger will be governed by Section 251(h) of the DGCL, and accordingly, if the offer is completed, no stockholder vote will be required to consummate the merger. As such, UnitedHealth Group anticipates that, if the offer is completed, the first merger will be completed on the same day as the offer.

Will I have appraisal rights with respect to my shares of SCA common stock in connection with the transactions?

Appraisal rights are not available in connection with the offer, and SCA stockholders who tender their shares in the offer will not have appraisal rights in connection with the first merger. However, if the Offeror is successful and accepts shares in the offer and the first merger is completed, holders of shares of SCA common stock will be entitled to exercise appraisal rights in connection with the first merger and seek appraisal for the fair value of their SCA shares if they did not properly tender their shares in the offer and satisfy the other requirements and comply with the applicable procedures for demanding appraisal rights prescribed by Delaware law.

SCA stockholders who (i) did not tender their SCA shares in the offer, (ii) demand appraisal of their shares of SCA common stock in accordance with Section 262 of the DGCL and otherwise comply with the applicable statutory

procedures under Section 262 of the DGCL and (iii) do not thereafter withdraw their demand for appraisal of such shares or otherwise lose their appraisal rights, in each case in accordance with the DGCL, will

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be entitled to receive a judicial determination of the fair value of their shares of SCA common stock (as of the effective time of the first merger, exclusive of any element of value arising from the accomplishment or expectation of the first merger) and to receive payment of such fair value in cash in lieu of receiving the transaction consideration. Any such judicial determination of the fair value of shares of SCA common stock could be based upon considerations other than, or in addition to, the price paid in the offer and the first merger and the market value of shares of SCA common stock. The value so determined could be higher or lower than, or the same as, the price per SCA share paid by UnitedHealth Group or the Offeror pursuant to the offer and the first merger. You should be aware that opinions of investment banking firms as to the fairness from a financial point of view of the consideration payable in a sale transaction, such as the offer and the first merger, are not opinions as to fair value for the purposes of appraisal under applicable Delaware law.

Under Section 262 of the DGCL, where a merger or consolidation is approved under Section 251(h), either a constituent corporation before the effective date of the merger, or the surviving corporation within ten (10) days thereafter, shall notify each of the holders of any class or series of stock of such constituent corporation who are entitled to appraisal rights of the approval of the merger or consolidation and that appraisal rights are available for any or all shares of such class or series of stock of such constituent corporation, and shall include in such notice a copy of Section 262 of the DGCL. The Schedule 14D-9 that is being mailed to you together with this prospectus/offer to exchange constitutes the formal notice of appraisal rights under Section 262 of the DGCL.

The foregoing summary of the rights of dissenting stockholders under Delaware law does not purport to be a complete statement of the procedures to be followed by SCA stockholders desiring to exercise appraisal rights under Section 262 of the DGCL, and is qualified in its entirety by the full text of Section 262 of the DGCL which is attached as Annex B to the Schedule 14D-9. See The Transactions Appraisal Rights.

Does UnitedHealth Group have the financial resources to complete the offer and the mergers?

Yes. As discussed above, the transaction consideration will consist of UnitedHealth Group common stock and cash. The offer and the mergers are not conditioned upon any financing arrangements or contingencies.

Who should I contact if I have questions about the offer?

You may contact D. F. King & Co., Inc., the information agent, 48 Wall Street, 22nd Floor, New York, NY 10005, toll-free at (800) 431-9645 or UNH@dfking.com.

Where can I find more information about UnitedHealth Group and SCA?

You can find more information about UnitedHealth Group and SCA from various sources described in the section of this prospectus/offer to exchange entitled Where to Obtain More Information.

Table of Contents**SUMMARY**

*This section summarizes selected information presented in greater detail elsewhere in this document. However, this summary may not contain all of the information that may be important to SCA stockholders in determining whether to tender their SCA shares in the offer. You are urged to carefully read the remainder of this document, the related letter of transmittal, the annexes to this document and the other information referred to or incorporated by reference in this document which contain additional important information about UnitedHealth Group, SCA and the transactions. For a description of, and instructions as to how to obtain, this information, see *Where to Obtain Additional Information*. Each item in this summary includes a page reference directing you to a more complete description of that item.*

Purpose of the Offer and the Mergers (Page 23)

The purpose of the offer and the mergers that have been agreed to between UnitedHealth Group and SCA is for UnitedHealth Group to acquire control of, and all of the outstanding equity in, SCA. The offer is the first step in UnitedHealth Group's plan to acquire all of the outstanding shares of SCA common stock, and the first merger is the second step in such plan. If the offer is completed, tendered shares of SCA common stock will be exchanged for the transaction consideration, and if the first merger is completed, any remaining shares of SCA common stock that were not tendered into the offer (other than certain dissenting, converted or cancelled shares, as described further in this document) will be converted into the right to receive the transaction consideration.

Transaction Consideration (Page 23)

UnitedHealth Group, through the Offeror, is offering, upon the terms and subject to the conditions set forth in this document and in the accompanying letter of transmittal, to exchange for each outstanding share of SCA common stock that is validly tendered in the offer and not properly withdrawn:

\$11.40 in cash, without interest and less any applicable withholding taxes (the default cash consideration); and

a number of shares of UnitedHealth Group common stock, par value \$0.01 per share, equal to the amount obtained by dividing \$45.60 by the volume weighted average of the closing sale prices per share of UnitedHealth Group common stock on the NYSE, as reported in the New York City edition of *The Wall Street Journal* on each of the five full consecutive trading days ending on and including the third business day prior to the final expiration date of the offer, together with cash in lieu of any fractional shares of UnitedHealth Group common stock, without interest and less any applicable withholding taxes (the default stock consideration).

We refer to the default cash consideration and the default stock consideration as the default transaction consideration. In lieu of delivering the default transaction consideration, UnitedHealth Group may, by providing written notice to SCA no later than 5:00 p.m., New York City time, on the tenth business day prior to the final expiration date of the offer, deliver (i) an amount in cash greater than the default cash consideration and not to exceed \$27.93 per share of SCA common stock, without interest and less any applicable withholding taxes (we refer to the cash consideration, including as it may be increased at UnitedHealth Group's election, as the applicable cash consideration), and (ii) a number of shares of UnitedHealth Group common stock equal to (a) \$57.00 minus the applicable cash consideration, divided by (b) the volume weighted average of the closing sale prices per share of UnitedHealth Group common stock

on the NYSE, as reported in the New York City edition of *The Wall Street Journal* on each of the five full consecutive trading days ending on and including the third business day prior to the final expiration date of the offer, together with cash in lieu of any fractional shares of UnitedHealth Group common stock, without interest and less any applicable withholding taxes (we refer to the stock consideration, including as it may be decreased at UnitedHealth Group's election, as the applicable stock consideration). We refer to the applicable cash consideration and the applicable stock consideration together as the transaction consideration.

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SCA stockholders will not receive any fractional shares of UnitedHealth Group common stock in the offer or the first merger, and each SCA stockholder who otherwise would be entitled to receive a fraction of a share of UnitedHealth Group common stock pursuant to the offer or the first merger will be paid an amount in cash (without interest and less any applicable withholding taxes) in lieu thereof, based on the volume weighted average of the closing sale prices per share of UnitedHealth Group common stock on the NYSE, as reported in the New York City edition of *The Wall Street Journal* on each of the five full consecutive trading days ending on and including the third business day prior to the final expiration date of the offer.

The Offer (Page 23)

UnitedHealth Group, through the Offeror, is offering, upon the terms and subject to the conditions set forth in this document and in the accompanying letter of transmittal, to exchange the transaction consideration for each outstanding share of SCA common stock that is validly tendered in the offer and not properly withdrawn.

The Mergers (Page 23)

The first merger and the second merger (which we refer to collectively as the mergers) will be completed as soon as practicable following the Offeror's acceptance of SCA shares tendered in the offer if the offer is completed, assuming the satisfaction or waiver of the other conditions to the mergers at such time. If the offer is completed, the first merger will be subject to Section 251(h) of the DGCL, which means that no vote of SCA stockholders will be required to complete the first merger. Accordingly, UnitedHealth Group anticipates that, if the offer is completed, the first merger will be completed on the same day as the offer.

In the first merger, the Offeror will merge with and into SCA, with SCA surviving the merger. At the effective time of the first merger, each outstanding share of SCA common stock that was not acquired by the Offeror in the offer (other than certain dissenting, converted or cancelled shares, as described further in this document) will be converted into the right to receive the transaction consideration. After the first merger, SCA will be held as a direct wholly owned subsidiary of Merger Sub and an indirect wholly owned subsidiary of UnitedHealth Group, and the former stockholders of SCA will no longer have any direct ownership interest in the surviving corporation.

Immediately following the first merger, the surviving corporation will merge with and into Merger Sub, with Merger Sub surviving the second merger. The second merger will be governed by Section 267 of the DGCL and Section 18-209(i) of the DLLCA. As a result of the second merger, the surviving corporation will be converted from a corporation into a limited liability company. It is intended that the offer and the mergers, taken to together, will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the Code). Please read the discussion under Material U.S. Federal Income Tax Consequences for more information.

The Companies (Page 21)

UnitedHealth Group

UnitedHealth Group Incorporated

UnitedHealth Group Center

9900 Bren Road East

Minnetonka, Minnesota 55343

(952) 936-1300

UnitedHealth Group is a diversified health and well-being company dedicated to helping people live healthier lives and helping to make the health system work better for everyone. Through a diversified family of businesses, we leverage core competencies in advanced, enabling technology; health care data, information and intelligence; and clinical care management and coordination to help meet the demands of the health system.

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These core competencies are deployed within our two distinct, but strategically aligned, business platforms: health benefits operating under UnitedHealthcare and health services operating under Optum.

UnitedHealth Group Incorporated was incorporated in January 1977 in Minnesota. On July 1, 2015, UnitedHealth Group Incorporated changed its state of incorporation from Minnesota to Delaware pursuant to a plan of conversion. Shares of UnitedHealth Group are traded on the NYSE under the ticker symbol UNH.

Offeror

Spartan Merger Sub 1, Inc.

c/o UnitedHealth Group Incorporated

UnitedHealth Group Center

9900 Bren Road East

Minnetonka, Minnesota 55343

(952) 936-1300

The Offeror is a Delaware corporation and an indirect wholly owned subsidiary of UnitedHealth Group. The Offeror was incorporated on January 5, 2017 for the purpose of making the offer and consummating the first merger. The Offeror has engaged in no business activities to date and it has no material assets or liabilities of any kind, other than those incident to its formation and those incurred in connection with the merger agreement, the offer and the mergers.

Merger Sub

Spartan Merger Sub 2, LLC

c/o UnitedHealth Group Incorporated

UnitedHealth Group Center

9900 Bren Road East

Minnetonka, Minnesota 55343

(952) 936-1300

Merger Sub is a Delaware limited liability company and a direct wholly owned subsidiary of UnitedHealth Group. Merger Sub was formed on January 5, 2017 for the purpose of consummating the second merger. Merger Sub has engaged in no business activities to date and it has no material assets or liabilities of any kind, other than those incident to its formation and those incurred in connection with the mergers.

SCA

Surgical Care Affiliates, Inc.

510 Lake Cook Road, Suite 400

Deerfield, Illinois 60015

(847) 236-0921

SCA is a leading provider of solutions to physicians, health plans, and health systems to optimize surgical care. SCA operates one of the largest networks of surgical facilities in the United States, which as of December 31, 2016, included 197 ambulatory surgery centers and seven surgical hospitals in partnership with approximately 3,000 physician partners.

SCA was converted from a Delaware limited liability company, previously named ASC Acquisition LLC, to a Delaware corporation on October 30, 2013. Its shares trade on Nasdaq under the ticker symbol SCAI.

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Expiration of the Offer (Page 61)

The offer is scheduled to expire at 12:01 a.m., New York City time, on Tuesday, March 21, 2017, which is the expiration date, unless and until the Offeror has extended or re-extended the period during which the offer is open, subject to the terms and conditions of the merger agreement, in which event the term expiration date means the subsequent time and date at which the offer, as so extended or re-extended by the Offeror, will expire.

Extension, Termination and Amendment of Offer (Page 61)

Subject to the provisions of the merger agreement, and unless the offer or the merger agreement is terminated in accordance with its terms, (1) the Offeror must (and UnitedHealth Group must cause the Offeror to) extend the offer for any period required by the U.S. federal securities laws and rules and regulations of the SEC and its staff or of Nasdaq (but in no event will the Offeror be required to extend the offer past July 7, 2017(the end date)), and (2) if the offer conditions are not satisfied at any scheduled expiration date, the Offeror may (and must, if requested by SCA) extend the offer and the expiration date for not more than 10 business days after the previously scheduled expiration date. If, as of any expiration date, the HSR clearance condition or the minimum tender condition have not been satisfied, and if the Offeror elects to, or if SCA requests that the Offeror, extend the offer and the expiration date, the Offeror will extend the offer and the then-scheduled expiration date to a date that is not more than 20 business days after the then-scheduled expiration date (but which may in no event be later than the end date). However, in no event will the Offeror be required to (and the Offeror will not, if requested by SCA) extend the offer to a date that is after the later of (i) 30 calendar days following the satisfaction of each of the conditions related to HSR clearance, effectiveness of the registration statement on Form S-4 of which this document is a part, the approval for listing of the UnitedHealth Group shares to be issued in the offer and the first merger and required health care regulatory consents, and (ii) May 7, 2017.

If the merger agreement is terminated, the Offeror will promptly terminate the offer. Other than in connection with the termination of the merger agreement, the Offeror may not terminate or withdraw the offer without the prior written consent of SCA. Any decision to extend, terminate or withdraw the offer will be made public by a press release or otherwise by a public announcement.

Conditions to the Offer and the Mergers (Pages 91 - 93)

Completion of the offer and the mergers is subject to certain conditions, including, among others:

Minimum Tender Condition SCA stockholders having validly tendered and not properly withdrawn prior to the expiration of the offer a number of shares of SCA common stock that, together with any shares of SCA common stock then owned by UnitedHealth Group, the Offeror or any other subsidiary UnitedHealth Group, represents at least a majority of all then-outstanding SCA shares;

HSR Clearance any waiting period (and extensions thereof) applicable to the offer and the mergers under the HSR Act having expired or been terminated;

Effectiveness of Form S-4 the registration statement on Form S-4, of which this document is a part, having been declared effective by the SEC under the Securities Act, and no stop order suspending the

effectiveness of such registration statement having been issued or proceeding seeking a stop order having been initiated or threatened by the SEC;

Listing of UnitedHealth Group Common Stock the UnitedHealth Group shares to be issued in the offer and the first merger having been approved for listing on the NYSE, subject to official notice of issuance;

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Accuracy of SCA's Representations the representations and warranties of SCA contained in the merger agreement being true and correct as of the date of the merger agreement and the expiration date of the offer, subject to specified materiality standards;

SCA's Compliance with Covenants SCA having performed and complied in all material respects with all covenants and agreements required by the merger agreement to be performed or complied with by SCA prior to the expiration date;

No Legal Prohibition there being no injunction, whether temporary, preliminary or permanent, by any court or other tribunal of competent jurisdiction or law that has been adopted and is effective that, in each case, prohibits or makes illegal the consummation of the offer or the mergers;

Tax Opinions the receipt of written opinions by UnitedHealth Group and SCA from their respective legal counsel, dated as of the expiration date of the offer, to the effect that, on the basis of certain facts, representations and assumptions set forth or referred to in such opinions, the offer and the mergers, taken together, will qualify as a reorganization within the meaning of Section 368(a) of the Code;

No Merger Agreement Termination the merger agreement not having been terminated in accordance with its terms; and

Required Health Care Regulatory Consents SCA having obtained all consents, authorizations, waivers and approvals and having made all filings, applications and notices, in each case, with respect to certificates of need and licenses to operate as an ambulatory surgery center or a hospital, as the case may be, required to be obtained by SCA pursuant to applicable health care laws in order to consummate the transactions with respect to at least 94% of all facilities that provide health care services that are operated or managed by SCA, its subsidiaries or certain related entities of SCA.

Withdrawal Rights (Page 63)

SCA stockholders may withdraw previously tendered SCA shares at any time until the expiration time on the expiration date (as the same may be extended) or if the Offeror fails to promptly accept and pay for such tendered shares. For the withdrawal to be effective, the exchange agent must receive a written notice of withdrawal from the relevant SCA stockholder (including, among other things, information as to the relevant SCA stockholder and the number of shares to be withdrawn) prior to the expiration time on the expiration date. Once the Offeror accepts shares for exchange pursuant to the offer, SCA stockholders who previously tendered their shares will no longer be able to withdraw them.

Procedures for Tendering (Page 63)

To validly tender SCA shares held of record, SCA stockholders must:

if held in book entry form directly with SCA via the direct registration system, deliver a properly completed and duly executed letter of transmittal, along with any required signature guarantees and any other required documents, if applicable, for tendered SCA shares to the exchange agent for the offer, at its address set forth elsewhere in this document, all of which must be received by the exchange agent prior to the expiration date; or

if such shares are in electronic book-entry form, deliver an agent's message in connection with a book-entry transfer, and any other required documents, to the exchange agent at its address set forth elsewhere in this document and follow the other procedures for book-entry tender set forth herein, all of which must be received by the exchange agent prior to the expiration date.

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If SCA shares are held in street name (*i.e.*, through a broker, dealer, commercial bank, trust company or other nominee), those shares may be tendered by the nominee holding such shares by book-entry transfer through DTC. To validly tender such shares held in street name, SCA stockholders should instruct such nominee to do so prior to the expiration date. See Exchange Offer Procedures Procedures for Tendering for more information.

Treatment of SCA Common Stock and Equity Awards (Page 72)*SCA Stock Options*

As described under Interests of Certain Persons in the Transactions Treatment of Equity and Equity-Based Awards SCA Stock Options, at the effective time of the first merger, by virtue of the first merger, each outstanding SCA stock option, will, without any further action on the part of any holder thereof, be converted into an option to purchase that number of shares of UnitedHealth Group common stock (rounded down to the nearest whole number) equal to the product of (a) the number of shares of SCA common stock subject to such SCA stock option and (b) \$57.00 divided by the volume weighted average of the closing sale prices per share of UnitedHealth Group common stock on the NYSE, as reported in the New York City edition of *The Wall Street Journal* on each of the five full consecutive trading days ending on and including the third business day prior to the final expiration date of the offer (the equity conversion ratio) at an exercise price per share (rounded up to the nearest whole cent) equal to the quotient obtained by dividing (1) the exercise price per share for such option immediately prior to the effective time of the first merger, by (2) the equity conversion ratio. UnitedHealth Group will convert SCA stock options into converted UnitedHealth Group options in such a manner as to ensure that the converted UnitedHealth Group options are not subject to Section 409A of the Code as a result of the assumption and conversion. The converted UnitedHealth Group options will have the same vesting schedule, exercisability terms and other terms and conditions as the corresponding SCA stock options, provided that the period following a change in control during which an individual's converted UnitedHealth Group options become fully vested in the event of certain terminations of employment shall be extended from two (2) years to four (4) years, and all references to the Company in SCA's equity incentive plan and award agreements will be references to UnitedHealth Group.

SCA Restricted Stock Units

As described under Interests of Certain Persons in the Transactions Treatment of Equity and Equity-Based Awards SCA RSUs beginning on page 52, at the effective time of the first merger, by virtue of the first merger, the SCA restricted stock units (RSUs) outstanding immediately prior to the effective time of the first merger will be converted into restricted stock units of UnitedHealth Group common stock (converted RSUs) equal to the product of (a) the number of shares of SCA common stock subject to such SCA RSUs and (b) the equity conversion ratio, rounded down to the nearest whole number. Any converted RSUs so issued will be subject to the same terms and conditions as were applicable under such SCA RSUs, provided that the period following a change in control during which an individual's converted RSUs become fully vested in the event of certain terminations of employment shall be extended from two (2) years to four (4) years, and all references to the Company in SCA's equity incentive plan and award agreements will be references to UnitedHealth Group.

Notwithstanding the above, if an SCA RSU is subject to an agreement with an individual holder in effect as of January 7, 2017 that provides that such SCA RSU shall be settled in connection with a change of control involving SCA (without the required occurrence of termination or any other event), such SCA RSU shall be settled in shares of SCA common stock immediately prior to the occurrence of the effective time of the first merger and the holder shall be treated as a shareholder and will receive the transaction consideration in respect thereof.

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At the effective time of the first merger, by virtue of the first merger, the SCA performance share awards (SCA PSAs) outstanding immediately prior to the effective time of the first merger shall be assumed and converted into that number of UnitedHealth Group performance share awards, rounded down to the nearest whole share (converted PSAs) equal to the product of (x) the number of shares of SCA common stock subject to such SCA PSAs, with such number determined as of the closing date of the first merger and (y) the equity conversion ratio. Other than the extension from two (2) years to four (4) years of the period following a change in control during which an individual s converted PSA becomes fully vested in the event of certain terminations of employment, each converted PSA shall continue to be governed by the same terms and conditions as were applicable to the applicable SCA PSA immediately prior to conversion, including the satisfaction of the performance criteria set forth in the SCA PSA, provided that all references to the Company in SCA s equity incentive plan and award agreements will be references to UnitedHealth Group.

Treatment of Teammate Stock Purchase Plan (Page 74)

Following the date of the merger agreement, SCA will take all actions necessary to ensure that no offering period under the SCA Teammate Stock Purchase Plan (TSPP) will be authorized or commenced on or after the date of the merger agreement, except for the six-month offering period under the TSPP that commenced on January 1, 2017. If the first merger occurs prior to the end of the offering period in effect on the date of the merger agreement, each individual participating in such offering period shall receive notice of the transactions contemplated by the merger agreement and shall have an opportunity to terminate his or her outstanding purchase rights under the TSPP, and such offering period shall end prior to the date of the first merger. Each TSPP participant s accumulated contributions under the TSPP shall be used to purchase shares of SCA common stock in accordance with the TSPP as of the end of the offering period, and any remaining accumulated but unused payroll deductions shall be distributed to the relevant participants without interest as promptly as practicable. SCA will terminate the TSPP and all rights under it prior to the date of the first merger.

Regulatory Approvals (Page 89)

Completion of the offer is subject to the expiration or termination of any waiting period (and extensions thereof) applicable to the offer and the mergers under the HSR Act. As of the date of this document, the waiting period under the HSR Act has expired, and accordingly this condition to the offer has been satisfied. UnitedHealth Group and SCA are required to use their respective reasonable best efforts to consummate the offer and the mergers and make effective the mergers as soon as practicable, including by taking all actions necessary to obtain any antitrust or other required governmental approvals.

Source and Amount of Funds (Page 59)

UnitedHealth Group estimates that the aggregate amount of cash consideration required to purchase the maximum amount of shares of SCA common stock sought in the offer (which is 100% of the outstanding shares of SCA common stock on a fully diluted basis) and complete the first merger is approximately \$484.5 million, in the case of the default cash consideration, or approximately \$1,187.0 million, in the case of the maximum applicable cash consideration, plus in each case related fees and expenses. UnitedHealth Group anticipates that the funds needed to complete the offer and the first merger will be derived from available cash on hand. UnitedHealth Group s obligations to consummate the offer and the first merger are not conditioned upon any financing arrangements or contingencies.

Interests of Certain Persons in the Transactions (Page 51)

Certain of SCA's executive officers and directors may have financial interests in the transactions that may be different from, or in addition to, the interests of SCA's stockholders generally. The SCA Board was aware of

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these potentially differing interests and considered them, among other matters, in evaluating and negotiating the merger agreement and in reaching its decision to approve the merger agreement and the transactions contemplated therein.

Listing of UnitedHealth Group Common Stock (Page 90)

UnitedHealth Group will submit the necessary applications to seek to cause the shares of its common stock to be issued as transaction consideration in the offer and the first merger to be approved for listing on the NYSE. Approval of this listing is a condition to completion of the offer and the first merger.

Tender and Support Agreement (Page 98)

On January 7, 2017, concurrently with the execution of the merger agreement, the TPG stockholders entered into the tender and support agreement with UnitedHealth Group and the Offeror. Pursuant to, and subject to the terms and conditions set forth in, the tender and support agreement, among other things, each TPG stockholder agreed to tender all of the SCA shares of which such TPG stockholder is the beneficial or record owner (which, as of January 5, 2017, represented in the aggregate approximately 30% of the outstanding SCA shares) into the offer, and not to tender their SCA shares into, or vote in favor of, any competing offer or takeover proposal. The tender and support agreement terminates automatically, among other things, upon the termination of the merger agreement.

Comparative Market Price and Dividend Matters (Page 100)

UnitedHealth Group common stock is listed on the NYSE under the symbol UNH, and SCA shares are listed on Nasdaq under the symbol SCAI. On January 6, 2017, the trading day before the public announcement of the execution of the merger agreement, the closing price per SCA share on Nasdaq was \$48.75, and the closing price per share of UnitedHealth Group common stock on the NYSE was \$162.41. On February 17, 2017, the most recent trading date prior to the filing of this document, the closing price per SCA share on Nasdaq was \$56.69, and the closing price per share of UnitedHealth Group common stock on the NYSE was \$157.62. SCA stockholders should obtain current market quotations for SCA shares and shares of UnitedHealth Group common stock before deciding whether to tender their SCA shares in the offer. See Comparative Market Price and Dividend Matters for a discussion of pro forma per share data.

Ownership of UnitedHealth Group After the Offer and the First Merger (Page 48)

UnitedHealth Group estimates that former stockholders of SCA will own, in the aggregate, approximately 1.3% of the shares of UnitedHealth Group common stock outstanding immediately following completion of the offer and the first merger, assuming the default stock consideration, or approximately 0.8%, assuming the minimum applicable stock consideration.

Comparison of Stockholders Rights (Page 109)

As a result of the offer and the mergers, holders of SCA common stock will become holders of UnitedHealth Group common stock. The rights of UnitedHealth Group stockholders are different in some respects from the rights of SCA stockholders due to the different provisions of the governing documents of SCA and UnitedHealth Group. Therefore, SCA stockholders will have different rights as stockholders once they become UnitedHealth Group stockholders. These differences are described in more detail under Comparison of Stockholders Rights.

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Material U.S. Federal Income Tax Consequences (Page 102)

It is intended that the offer and the mergers, taken together, qualify as a reorganization within the meaning of Section 368(a) of the Code. It is a condition to UnitedHealth Group's obligation to complete the offer that UnitedHealth Group and SCA each receive a written opinion from their respective legal counsel, Hogan Lovells US LLP (Hogan Lovells) and Cleary Gottlieb Steen & Hamilton LLP (Cleary Gottlieb), respectively, to the effect that the offer and the mergers, taken together, will qualify as a reorganization within the meaning of Section 368(a) of the Code. Accordingly, assuming the receipt and accuracy of such opinions, U.S. holders (as defined in the section of this prospectus/offer to exchange entitled Material U.S. Federal Income Tax Consequences) of shares of SCA common stock that receive a combination of shares of UnitedHealth Group common stock and cash (other than cash received in lieu of fractional shares of UnitedHealth Group common stock) in exchange for shares of SCA common stock pursuant to the offer and/or the first merger generally will recognize gain (but not loss) in an amount equal to the lesser of (i) the amount by which the sum of the fair market value of UnitedHealth Group common stock and cash received by the U.S. holder exceeds such U.S. holder's adjusted tax basis in its shares of SCA common stock surrendered and (ii) the amount of cash received by such U.S. holder.

Holders of SCA common stock should read the section of this prospectus/offer to exchange entitled Material U.S. Federal Income Tax Consequences for a more complete discussion of the U.S. federal income tax consequences of the transactions. Tax matters can be complicated, and the tax consequences of the transactions to a particular holder will depend on such holder's particular facts and circumstances. SCA stockholders should consult their own tax advisors to determine the specific consequences to them of exchanging their shares of SCA common stock for the transaction consideration pursuant to the offer or the first merger.

Accounting Treatment (Page 60)

In accordance with United States generally accepted accounting principles (GAAP or U.S. GAAP), UnitedHealth Group will account for the acquisition of SCA shares in the offer and the first merger under the acquisition method of accounting for business combinations.

Questions About the Offer and the Mergers

Questions or requests for assistance or additional copies of this document may be directed to the information agent at the telephone number and addresses set forth below. SCA stockholders may also contact their broker, dealer, commercial bank, trust company or other nominee for assistance concerning the offer and the mergers.

The information agent for the offer is:

D. F. King & Co., Inc.

48 Wall Street, 22nd Floor

New York, NY 10005

Banks and Brokers Call Collect: (212) 269-5550

All Others Call Toll-Free: (800) 431-9645

Email: UNH@dfking.com

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The following table sets forth certain selected financial information for UnitedHealth Group as of the end of and for the years indicated. The selected consolidated statements of operations data for the years ended December 31, 2016, 2015 and 2014, and the selected consolidated balance sheet data as of December 31, 2016 and 2015 are derived from, and qualified by reference to, the audited consolidated financial statements included in UnitedHealth Group's Annual Report on Form 10-K for the year ended December 31, 2016, which is incorporated by reference into this document. The selected consolidated statements of operations data for the years ended December 31, 2013 and 2012 and the selected consolidated balance sheet data as of December 31, 2014, 2013 and 2012 are derived from UnitedHealth Group's audited consolidated financial statements, which are not incorporated by reference into this document. You should read the summary selected financial data together with UnitedHealth Group's Management's Discussion and Analysis of Financial Condition and Results of Operations and UnitedHealth Group's historical consolidated financial statements and the notes thereto. The historical results are not necessarily indicative of results to be expected in the future. For more information, see [Where to Obtain Additional Information](#).

(in millions, except percentages and per share data)	For the Year Ended December 31,				
	2016	2015 (a)	2014	2013	2012
Consolidated operating results					
Revenues	\$ 184,840	\$ 157,107	\$ 130,474	\$ 122,489	\$ 110,618
Earnings from operations	12,930	11,021	10,274	9,623	9,254
Net earnings attributable to UnitedHealth Group common shareholders	7,017	5,813	5,619	5,625	5,526
Return on equity (b)	19.4%	17.7%	17.3%	17.7%	18.7%
Basic earnings per share attributable to UnitedHealth Group common shareholders	\$ 7.37	\$ 6.10	\$ 5.78	\$ 5.59	\$ 5.38
Diluted earnings per share attributable to UnitedHealth Group common shareholders	7.25	6.01	5.70	5.50	5.28
Cash dividends declared per common share	2.3750	1.8750	1.4050	1.0525	0.8000
Consolidated cash flows from (used for)					
Operating activities	\$ 9,795	\$ 9,740	\$ 8,051	\$ 6,991	\$ 7,155
Investing activities	(9,355)	(18,395)	(2,534)	(3,089)	(8,649)
Financing activities	(1,011)	12,239	(5,293)	(4,946)	471
As of December 31,					
(in millions, except percentages and per share data)	2016	2015	2014	2013	2012
Consolidated Financial Position					
Cash and investments	\$ 37,143	\$ 31,703	\$ 28,063	\$ 28,818	\$ 29,148
Total assets (c)	122,810	111,254	86,300	81,880	80,811
Total commercial paper and long-term debt (c)	32,970	31,965	17,324	16,778	16,680
Redeemable noncontrolling interests	2,012	1,736	1,388	1,175	2,121
Total equity	38,177	33,725	32,454	32,149	31,178

(a) Includes the effects of the July 2015 Catamaran acquisition and related debt issuances.

(b) Return on equity is calculated as net earnings divided by average equity. Average equity is calculated using the equity balance at the end of the preceding year and the equity balances at the end of each of the four quarters of

the year presented.

- (c) In the first quarter of 2016, UnitedHealth Group adopted Financial Accounting Standards Board (FASB) Accounting Standard Update (ASU) No. 2015-03 (ASU 2015-03), retrospectively as required. Accordingly, UnitedHealth Group Incorporated reclassified debt issuance costs of \$129, \$82, \$83, and \$80 as of December 31, 2015, 2014, 2013 and 2012, respectively, that were recorded in total assets to total commercial paper and long-term debt on the Consolidated Balance Sheet.

Table of Contents**SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF SCA**

The following table sets forth certain selected financial information for SCA as of the end of and for the periods indicated. The selected consolidated statements of operations data for the fiscal years ended December 31, 2016, 2015, and 2014 and the selected consolidated balance sheet data as of December 31, 2016 and 2015 are derived from, and qualified by reference to, the consolidated financial statements included in SCA's Annual Report on Form 10-K for the fiscal year ended December 31, 2016, which is incorporated by reference into this document. The selected consolidated statements of operations data for the year ended December 31, 2013 and 2012 and the selected consolidated balance sheet data as of December 31, 2014, 2013 and 2012 are derived from SCA's consolidated financial statements, which are not incorporated by reference into this document. You should read this summary selected financial data together with SCA's Management's Discussion and Analysis of Financial Condition and Results of Operations and SCA's historical consolidated financial statements and the notes thereto. The historical results are not necessarily indicative of results to be expected in the future. For more information, see [Where to Obtain Additional Information](#).

	Year Ended December 31,				
	2016	2015	2014	2013	2012
(in millions, except facilities and per unit data in actual amounts)					
Net operating revenues:					
Net patient revenues	\$ 1,201.6	\$ 971.4	\$ 788.0	\$ 731.6	\$ 699.0
Management fee revenues	54.8	61.0	58.9	40.5	17.8
Other revenues	25.0	19.1	17.8	13.6	9.6
Total net operating revenues	1,281.4	1,051.5	864.7	785.7	726.4
Equity in net income of nonconsolidated affiliates	54.4	49.9	32.6	23.4	16.8
Operating expenses:					
Salaries and benefits	426.5	351.0	297.2	270.9	234.2
Supplies	303.6	221.4	177.9	170.2	164.8
Other operating expenses	198.1	161.9	124.9	127.7	112.8
Depreciation and amortization	88.6	66.2	52.7	41.5	40.0
Occupancy costs	45.7	36.5	29.4	25.5	25.3
Provision for doubtful accounts	22.3	17.2	14.1	14.2	12.7
Impairment of intangible and long-lived assets	1.9	0.6	0.6		0.4
Loss (gain) on disposal of assets	1.8	1.9	(0.2)	0.1	(0.3)
Total operating expenses	1,088.5	856.7	696.4	650.1	589.9
Operating income	247.4	244.7	200.9	158.9	153.2
Interest expense	43.2	42.1	32.8	60.2	58.6
HealthSouth option expense		11.7			
Debt modification expense	2.4	5.0			
Loss on extinguishment of debt	0.2	0.5		10.3	
Interest income	(20.5)	(0.4)	(0.2)	(0.2)	(0.3)
(Gain) loss on sale of investments	(33.0)	(4.0)	(7.6)	12.3	7.1
Income from continuing operations before income taxes	255.2	189.6	175.9	76.2	87.8

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(Benefit) provision for income taxes	28.8	(84.8)	9.4	12.3	8.5
Income from continuing operations (1)	226.4	274.4	166.5	63.9	79.3
Loss from discontinued operations, net of income tax expense	(0.1)	(0.8)	(9.4)	(9.3)	(4.9)
Net income	226.3	273.6	157.1	54.6	74.4

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	Year Ended December 31,				
	2016	2015	2014	2013	2012
(in millions, except facilities and per unit data in actual amounts)					
Less: Net income attributable to noncontrolling interests	(190.9)	(158.3)	(125.2)	(105.9)	(94.4)
Net income (loss) attributable to Surgical Care Affiliates	\$ 35.4	\$ 115.3	\$ 32.0	\$ (51.3)	\$ (20.0)
Basic net income (loss) per share attributable to Surgical Care Affiliates:					
Continuing operations attributable to Surgical Care Affiliates	\$ 0.88	\$ 2.95	\$ 1.07	\$ (1.33)	\$ (.50)
Discontinued operations attributable to Surgical Care Affiliates	\$	\$ (.02)	\$ (.24)	\$ (.29)	\$ (.16)
Net income (loss) per share attributable to Surgical Care Affiliates	\$ 0.88	\$ 2.93	\$ 0.83	\$ (1.62)	\$ (.66)
Basic weighted average shares outstanding (in thousands) (2)	40,214	39,360	38,477	31,688	30,340
Distribution paid per share on September 16, 2013	\$	\$	\$	\$ 2.47	\$
Diluted net income (loss) per share attributable to Surgical Care Affiliates:					
Continuing operations attributable to Surgical Care Affiliates	\$ 0.86	\$ 2.85	\$ 1.03	\$ (1.33)	\$ (.50)
Discontinued operations attributable to Surgical Care Affiliates	\$	\$ (.02)	\$ (.23)	\$ (.29)	\$ (.16)
Net income (loss) per share attributable to Surgical Care Affiliates	\$ 0.86	\$ 2.83	\$ 0.80	\$ (1.62)	\$ (.66)
Diluted weighted average shares outstanding (in thousands) (2)	41,106	40,734	39,958	31,688	30,340
Facilities (at period end):					
Consolidated facilities	125	104	95	87	87
Equity method facilities	61	68	65	60	52
Managed-only facilities	19	21	26	30	8
Total facilities	205	193	186	177	147

	2016	2015	December 31,	2013	2012
	(in millions)				
Balance Sheet Data (at period end):					
Cash and cash equivalents	\$ 131.8	\$ 79.3	\$ 8.7	\$ 85.8	\$ 118.6
Total current assets	430.9	314.9	237.5	234.0	267.4
Total assets (3)	2,670.7	2,001.6	1,642.9	1,415.6	1,403.1
Current portion of long-term debt	64.1	32.5	24.7	22.6	14.9
Total current liabilities	341.9	258.1	248.5	197.7	175.2
Long-term debt, net of current portion	1,051.4	851.8	660.6	641.9	765.0
Total liabilities (3)	1,498.7	1,185.9	1,060.5	977.7	1,061.4
Total Surgical Care Affiliates equity	440.1	382.3	243.3	205.7	147.5
Noncontrolling interests non-redeemable	714.9	411.5	323.6	210.3	172.5

Total equity	1,154.9	793.7	567.0	416.0	320.0
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Note: Totals above may not sum due to rounding and any references in the table above and these footnotes to Surgical Care Affiliates, the Company, we, us and our refer to Surgical Care Affiliates, Inc. and its consolidated affiliates as of our conversion from a Delaware limited liability company to a Delaware corporation on October 30, 2013 and to ASC Acquisition LLC and its consolidated subsidiaries prior to our conversion from a Delaware limited liability company to a Delaware corporation on October 30, 2013.

- (1) Income (loss) from continuing operations attributable to Surgical Care Affiliates, which is income from continuing operations less net income attributable to noncontrolling interests, was \$35.5 million, \$116.1 million, \$41.3 million, \$(42.0) million and \$(15.1) million for years-ended December 31, 2016, 2015, 2014, 2013 and 2012, respectively.
- (2) Calculated based on number of shares of common stock and vested RSUs that would have been outstanding as of December 31, 2012, assuming our conversion from a Delaware limited liability company to a Delaware corporation.
- (3) Our consolidated assets as of December 31, 2016, 2015 and 2014, include total assets of a VIE of \$453.4 million, \$76.1 million and \$117.5 million, respectively, which can only be used to settle the obligations of the VIE. Our consolidated total liabilities as of December 31, 2016, 2015 and 2014 include total liabilities of the VIE of \$241.5 million, \$41.0 million and \$23.8 million, respectively, for which the creditors of the VIE have no recourse to us, with the exception of \$24.2 million, \$4.0 million and \$3.4 million of debt guaranteed by us at December 31, 2016, 2015 and 2014, respectively. Our consolidated assets as of December 31, 2013 and December 31, 2012 include total assets of a VIE of \$49.5 million and \$28.2 million, respectively, which can only be used to settle the obligations of the VIE. Our consolidated total liabilities as of December 31, 2013 and December 31, 2012 include total liabilities of the VIE of \$12.2 million and \$1.4 million, respectively, for which the creditors of the VIE have no recourse to us, with the exception of \$4.0 million of debt guaranteed by us at December 31, 2013.
- (4) Year over year comparisons are impacted by acquisitions as discussed in Note 2 to the consolidated financial statements included in SCA's Annual Report on Form 10-K for the year ended December 31, 2016, which is incorporated by reference in this document.

Table of Contents**UNAUDITED COMPARATIVE PER SHARE DATA**

The following table reflects historical information about basic and diluted earnings per share and cash dividends per share for the year ended December 31, 2016 for each of UnitedHealth Group and SCA, in each case, on a historical basis, and for UnitedHealth Group and SCA on an unaudited pro forma combined basis after giving effect to the transactions. The summary unaudited comparative per share data give effect to the anticipated transactions under the acquisition method of accounting. For purposes of preparing the unaudited comparative per share data, the transactions are assumed to have occurred as of or at the beginning of the period presented for the basic and diluted earnings per share and cash dividends per share and as of the end of the period for the book value per share. The SCA equivalent pro forma combined per share data is calculated by multiplying the pro forma combined UnitedHealth Group common stock per share amounts by the exchange ratio of 0.28.

SCA stockholders should read the information presented in the following table together with the historical financial statements of UnitedHealth Group and SCA and the related notes, which are incorporated by reference in this document. The pro forma data are unaudited and for illustrative purposes only. SCA stockholders should not rely on this information as being indicative of the historical results that would have been achieved during the periods presented had the companies always been combined or the future results that the combined company will achieve after the consummation of the transactions. This pro forma information is subject to risks and uncertainties, including those discussed in Risk Factors.

	UnitedHealth Group Historical	SCA Historical	Pro Forma Combined	Pro Forma Equivalent SCA Share
Net income per share attributable to common shareholders for the year ended December 31, 2016:				
Basic earnings per share	\$ 7.37	\$ 0.88	\$ 7.33	\$ 2.05
Diluted earnings per share	7.25	0.86	7.21	2.02
Cash dividends declared per share for the year ended December 31, 2016:	2.375		2.375	n/a
Book Value per share as of December 31, 2016:	\$ 40.20	\$ 10.86	\$ 39.78	\$ 11.14

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RISK FACTORS

SCA stockholders should carefully read this document and the other documents referred to or incorporated by reference into this document, including in particular the following risk factors, in deciding whether to tender their SCA shares pursuant to the offer.

Risks Relating to the Transactions

The offer remains subject to conditions that UnitedHealth Group cannot control.

The offer is subject to a number of conditions, including the minimum tender condition, receipt of required clearance under the HSR Act, lack of legal prohibitions against consummation of the offer or the mergers, the approval for listing on the NYSE of the shares of UnitedHealth Group common stock to be issued in the transactions, the receipt of opinions of SCA's and UnitedHealth Group's respective legal counsel regarding the tax treatment of the transactions, the effectiveness of the registration statement on Form S-4 of which this document is a part, the truth and accuracy of SCA's representations and warranties made in the merger agreement, subject to specified materiality standards, SCA's material compliance with its covenants under the merger agreement, the receipt of certain consents, authorizations, waivers and approvals and the making of certain filings, applications and notices under applicable U.S. health care laws to operate as an ambulatory surgery center or a hospital, and the non-termination of the merger agreement. There are no assurances that all of the conditions to the offer will be satisfied or that the conditions will be satisfied in the time frame expected. If the conditions to the offer are not met, then UnitedHealth Group may, subject to the terms and conditions of the merger agreement, allow the offer to expire, or amend or extend the offer. See Merger Agreement Conditions to the Offer and Conditions to the Mergers.

If the transactions are completed, SCA stockholders will receive UnitedHealth Group common stock as part of the transaction consideration and will accordingly become UnitedHealth Group stockholders. UnitedHealth Group common stock may be affected by different factors than SCA common stock, and UnitedHealth Group stockholders will have different rights than SCA stockholders.

Upon consummation of the transactions, SCA stockholders will receive shares of UnitedHealth Group common stock as part of the transaction consideration and will accordingly become UnitedHealth Group stockholders. UnitedHealth Group's business differs from that of SCA, and UnitedHealth Group's results of operations and the trading price of UnitedHealth Group common stock may be adversely affected by factors different from those that would affect SCA's results of operations and stock price.

In addition, holders of shares of UnitedHealth Group common stock will have rights as UnitedHealth Group stockholders that differ from the rights they had as SCA stockholders before the transactions. For a comparison of the rights of UnitedHealth Group stockholders to the rights of SCA stockholders, see Comparison of Stockholders' Rights.

SCA stockholders will have a reduced ownership and voting interest in UnitedHealth Group, and the amount of their ownership and voting interest in UnitedHealth Group is uncertain.

Immediately following consummation of the offer and the first merger, SCA stockholders will collectively own approximately 1.3% of the outstanding shares of UnitedHealth Group common stock, assuming the default transaction consideration, or approximately 0.8% of the outstanding shares of UnitedHealth Group common stock, assuming UnitedHealth Group elects to increase the applicable cash consideration to the maximum allowed under the merger agreement, and based on an assumed trading price of UnitedHealth Group common stock of \$160.50 (based upon a hypothetical closing date of February 15, 2017, reflecting the volume-weighted average of the closing prices for the

five business days ending on and including the third business day prior to such hypothetical February 15, 2017 closing date). Consequently, SCA stockholders will not be able to exercise as much influence over the management and policies of UnitedHealth Group as they currently exercise over

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SCA, and in the event UnitedHealth Group elects to increase the applicable cash consideration, SCA stockholders influence will be further reduced.

The receipt of UnitedHealth Group shares in the offer and/or the first merger may be taxable to SCA stockholders.

The offer is contingent upon the receipt of an opinion by each of UnitedHealth Group and SCA from their respective legal counsel to the effect that the offer and the mergers, taken together, will qualify as a reorganization within the meaning of Section 368(a) of the Code. However, if the offer and the mergers are not treated as component parts of an integrated transaction for U.S. federal income tax purposes, if the mergers are not completed or if the transactions otherwise fail to qualify as a reorganization within the meaning of Section 368(a) of the Code, the exchange of SCA common stock for cash and shares of UnitedHealth Group common stock in the offer and/or the first merger will be taxable to such SCA stockholders for U.S. federal income tax purposes.

SCA stockholders should consult their tax advisors to determine the specific tax consequences to them of the offer and the mergers, including any federal, state, local, foreign or other tax consequences, and any tax return filing or other reporting requirements.

The merger agreement limits SCA's ability to pursue alternative transactions, and in certain instances requires payment of a termination fee of \$90 million, which could deter a third party from proposing an alternative transaction.

The merger agreement contains provisions that, subject to certain exceptions, limit SCA's ability to solicit, initiate or knowingly encourage or knowingly facilitate any inquiries regarding or the making of any proposal or offer that constitutes or could reasonably be expected to lead to an alternative takeover proposal. See Merger Agreement No Solicitation of Acquisition Proposals. In addition, under specified circumstances where the merger agreement is terminated, SCA is required to pay a termination fee of \$90 million if the merger agreement is terminated. See Merger Agreement Termination Fee and Expenses. It is possible that these or other provisions might discourage a potential competing acquirer that might have an interest in acquiring all or a significant part of SCA from considering or proposing an acquisition or might result in a potential competing acquirer proposing to pay a lower per share price to acquire SCA than it might otherwise have proposed to pay.

The stock prices of UnitedHealth Group and SCA common stock may be adversely affected if the transactions are not completed.

If the offer and the mergers are not completed, the prices of UnitedHealth Group common stock and SCA common stock may decline to the extent that the current market prices of such common stock reflect a market assumption that the offer and the mergers will be completed and have value.

The results reflected in the unaudited prospective financial information considered by SCA and its financial advisor may not be realized.

While the unaudited prospective financial information utilized by SCA and its financial advisor in connection with the offer and the mergers and summarized in this document were prepared in good faith based on information available at the time of preparation, no assurances can be made regarding future events or that the assumptions made in preparing such unaudited prospective financial information will accurately reflect future conditions. In preparing such unaudited prospective financial information, the management of SCA made assumptions regarding, among other things, future economic, competitive, regulatory and financial market conditions and future business decisions that may not be realized and that are inherently subject to significant uncertainties and contingencies, including, among others, risks

and uncertainties described or incorporated by reference in this section and the section entitled **Cautionary Statement Regarding Forward-Looking**

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Statements, all of which are difficult to predict and many of which are beyond the control of SCA and UnitedHealth Group. There can be no assurance that the underlying assumptions or projected results will be realized, and actual results will likely differ, and may differ materially, from those reflected in the unaudited prospective financial information, whether or not the offer and the mergers are completed. As a result, the unaudited prospective financial information cannot be considered predictive of actual future operating results, and this information should not be relied on as such. In addition, since such unaudited prospective financial information covers multiple years, the information by its nature becomes less predictive with each successive year.

The opinion of SCA's financial advisor will not reflect changes in circumstances between the signing of the merger agreement and the completion of the transactions.

SCA has not obtained an updated opinion from its financial advisor as of the date of this document and does not expect to receive updated, revised or reaffirmed opinions prior to the completion of the transactions. Changes in the operations and prospects of SCA or UnitedHealth Group, general market and economic conditions and other factors that may be beyond the control of SCA or UnitedHealth Group, and on which SCA's financial advisor's opinion was based, may significantly alter the value of SCA or UnitedHealth Group or the prices of SCA or UnitedHealth Group common stock by the time the transactions are completed. The opinions do not speak as of the time the transactions will be completed or as of any other date other than the date of such opinion. Because SCA's financial advisor will not be updating its opinion, the opinion will not address the fairness of the transaction consideration from a financial point of view at the time the transactions are completed.

Risks Relating to UnitedHealth Group and the Combined Company

UnitedHealth Group may fail to realize any or all of the anticipated benefits of the transactions or those benefits may take longer to realize than expected.

The full benefits of the transactions may not be realized as expected or may not be achieved within the anticipated time frame, or at all. Failure to achieve the anticipated benefits of the transactions could adversely affect UnitedHealth Group's results of operations or cash flows, cause dilution to the earnings per share of UnitedHealth Group, decrease or delay the expected benefits of the transactions and negatively affect the price of UnitedHealth Group common stock.

In addition, UnitedHealth Group and SCA will be required to devote significant attention and resources prior to closing to prepare for the post-closing operation of the surviving company, and UnitedHealth Group will be required post-closing to devote significant attention and resources to successfully align the business practices and integrate the operations of SCA into UnitedHealth Group. This process may disrupt the businesses and, if ineffective, would limit the anticipated benefits of the transactions.

UnitedHealth Group and SCA will incur direct and indirect costs as a result of the transactions.

UnitedHealth Group and SCA will incur substantial expenses in connection with and as a result of completing the transactions and, following the completion of the mergers, UnitedHealth Group expects to incur additional expenses in connection with combining the businesses, operations, policies and procedures of UnitedHealth Group and SCA. Factors beyond UnitedHealth Group's control could affect the total amount or timing of those expenses, many of which, by their nature, are difficult to estimate accurately. Moreover, diversion of management focus and resources from the day-to-day operation of the business to matters relating to the transactions could adversely affect each company's business, regardless of whether the transactions are completed.

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If the value of UnitedHealth Group's business, together with any synergies to be achieved from UnitedHealth Group's acquisition of SCA, is less than the value of the transaction consideration, the trading price of shares of UnitedHealth Group common stock could decrease.

If investors believe that the value of the applicable cash consideration and applicable stock consideration to be exchanged for SCA shares in connection with the offer and the first merger, together with transaction costs, is greater than the value of SCA's business, together with any synergies expected to be achieved from UnitedHealth Group's acquisition of SCA, the trading price of UnitedHealth Group common stock could decrease and the transactions could have a dilutive effect on the value of shares of UnitedHealth Group common stock held by UnitedHealth Group stockholders (including former SCA stockholders).

Executive officers and directors of SCA have interests in the transactions that are different from or are in addition to the interests of SCA stockholders generally.

Certain of SCA's executive directors and officers have financial and other interests in the transactions contemplated by the merger agreement that are different from, or in addition to, the interests of SCA stockholders generally. These interests include, but are not limited to, entitlement to certain compensation and benefits. These interests are described more fully under "The Transactions—Interests of Certain Persons in the Transactions".

Uncertainty during the pendency of the transactions may lower physician utilization of SCA's facilities or otherwise cause commercial health plans or other business partners to delay or defer decisions concerning SCA.

SCA's business depends upon the efforts and success of the physicians who provide medical services at its facilities, and the strength of SCA's relationships with these physicians. In almost all cases, these physicians are not employees of SCA or its facilities and are generally not contractually required to use its facilities. The transactions will be completed only if specified conditions are met, many of which are outside the control of UnitedHealth Group and SCA. In addition, both parties have rights to terminate the merger agreement under specified circumstances. Accordingly, there may be uncertainty regarding the consummation of the transactions, both as to whether they will be consummated and when. This uncertainty may lower physician utilization of SCA's facilities and cause commercial health plans or other business partners to delay or defer decisions concerning SCA. In addition, physicians, commercial health plans and other business partners of SCA may seek to change existing agreements with SCA, which could negatively affect its business, results of operations and financial condition.

Additionally, if the transactions are completed, certain physicians, commercial health plans and other business partners may attempt to terminate or change their relationships with the surviving company or UnitedHealth Group. These decisions could have an adverse effect on the business of the combined company.

UnitedHealth Group's acquisition of SCA could trigger certain change-of-control or similar provisions contained in SCA's agreements with third parties that could permit such parties to terminate or re-negotiate those agreements.

SCA is a party to agreements that permit a counterparty to terminate an agreement or receive payments because the transactions would cause a default or violate an anti-assignment, change-of-control or similar clause in such agreement. If this happens, UnitedHealth Group may have to seek to replace that agreement with a new agreement or make additional payments under such agreement in order to retain the commercial relationship with the counterparty. However, UnitedHealth Group may be unable to replace a terminated agreement on comparable terms or at all. Depending on the importance of such agreement to SCA's business, the failure to replace a terminated agreement on similar terms or at all, and requirements to pay additional amounts, may increase the costs to UnitedHealth Group of operating SCA's business or decrease the expected benefits of the transactions to the surviving company and

UnitedHealth Group.

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Failure to effectively retain, attract and motivate key employees could diminish the anticipated benefits of the transactions.

The success of the acquisition of SCA will depend in part on the attraction, retention and motivation of personnel critical to the business and operations of the surviving company due to, for example, their technical skills or health care industry and management expertise. Employees and consultants may experience uncertainty about their future roles with UnitedHealth Group and SCA during the pendency of the transactions or after their completion.

UnitedHealth Group and SCA do not have identical corporate cultures, and some SCA employees may not want to work for the surviving company. In addition, competitors may recruit employees during UnitedHealth Group's integration of SCA. If UnitedHealth Group and SCA are unable to attract, retain and motivate personnel that are critical to the successful integration of SCA into UnitedHealth Group and the future operation of the combined business, the surviving company could face disruptions in its operations, loss of physicians, strategic relationships, key information, expertise or know-how and unanticipated additional recruiting and training costs. In addition, the loss of key personnel could diminish the anticipated benefits of the acquisition of SCA to UnitedHealth Group.

Risks Related to UnitedHealth Group's Business

You should read and consider the risk factors specific to UnitedHealth Group's business that will also affect the combined company after the transactions. These risks are described in Part I, Item 1A of UnitedHealth Group's Annual Report on Form 10-K for the fiscal year ended December 31, 2016, as filed with the SEC on February 8, 2017, and in other documents that are incorporated by reference into this document. See [Where to Obtain Additional Information](#) for the location of information incorporated by reference in this document.

Risks Related to SCA's Business

You should read and consider the risk factors specific to SCA's business that will also affect the combined company after the transactions. These risks are described in Part I, Item 1A of SCA's Annual Report on Form 10-K for the fiscal year ended December 31, 2016, as filed with the SEC on February 21, 2017, and in other documents that are incorporated by reference into this document. See [Where to Obtain Additional Information](#) for the location of information incorporated by reference in this document.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Information both included and incorporated by reference in this document may contain forward-looking statements, which may be identified by their use of terms such as intend, plan, may, should, will, anticipate, believe, estimate, expect, forecast, continue, potential, opportunity, project and similar terms. These statements are based on certain assumptions and analyses that UnitedHealth Group's management or SCA's management believe are appropriate under the circumstances. However, these statements are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should the assumptions prove incorrect, actual results may differ materially from those expected, estimated or projected. Forward-looking statements speak only as of the date they are made, and neither UnitedHealth Group nor SCA undertakes any obligation to publicly update or revise any of them in light of new information, future events or otherwise.

All subsequent written and oral forward-looking statements attributable to UnitedHealth Group, SCA or any person acting on UnitedHealth Group's or SCA's behalf are qualified by the cautionary statements in this section.

Factors that could have a material adverse effect on UnitedHealth Group's or SCA's operations and future prospects or the consummation of the offer and the mergers, many of which are difficult to predict and beyond the control of UnitedHealth Group or SCA, include, but are not limited to:

failure to satisfy the conditions to consummate the transactions; the risk that regulatory or other approvals required for the transactions are not obtained or are obtained subject to conditions that are not anticipated;

the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement;

the failure of the transactions to close in a timely manner or at all for any other reason;

SCA's limited ability to pursue alternative transactions;

the ability of UnitedHealth Group to successfully integrate SCA following completion of the transactions;

realization of the expected benefits of the transactions in a timely manner or at all;

the amount of the costs, fees, expenses and charges related to the offer and the mergers;

effects of the pendency of the transactions on relationships with employees, physicians, suppliers, customers and other business partners;

failure to effectively retain, attract and motivate key employees;

UnitedHealth Group acquiring, managing and integrating new operations, businesses or assets, and the associated diversion of management attention or other related costs or difficulties;

general political, economic and business conditions and industry conditions;

changes to laws or regulations, including in the health care industry;

the hiring and retention of qualified personnel in a competitive labor market;

the inherent uncertainty associated with financial or other projections; and

the ability to implement and achieve business strategies successfully.

These risks and uncertainties, along with the risk factors discussed under Risk Factors in this document, should be considered in evaluating any forward-looking statements contained in this document.

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THE COMPANIES

UnitedHealth Group

UnitedHealth Group Incorporated is a diversified health and well-being company dedicated to helping people live healthier lives and helping to make the health system work better for everyone.

Through a diversified family of businesses, UnitedHealth Group leverages core competencies in advanced, enabling technology; health care data, information and intelligence; and clinical care management and coordination to help meet the demands of the health system. These core competencies are deployed within our two distinct, but strategically aligned, business platforms: health benefits operating under UnitedHealthcare and health services operating under Optum.

UnitedHealthcare provides health care benefits to an array of customers and markets. UnitedHealthcare Employer & Individual serves employers ranging from sole proprietorships to large, multi-site and national employers, public sector employers and other individuals. UnitedHealthcare Medicare & Retirement delivers health and well-being benefits for Medicare beneficiaries and retirees. UnitedHealthcare Community & State manages health care benefit programs on behalf of state Medicaid and community programs and their participants. UnitedHealthcare Global includes UnitedHealthcare Brazil, a health care company providing health and dental benefits and hospital and clinical services to employer groups and individuals in Brazil, and other diversified global health businesses.

Optum is a health services business serving the broad health care marketplace, including payers, care providers, employers, governments, life sciences companies and consumers, through its OptumHealth, OptumInsight and OptumRx businesses. These businesses have dedicated units that help improve overall health system performance, through optimizing care quality, reducing costs and improving consumer experience and care provider performance leveraging distinctive capabilities in data and analytics, pharmacy care services, population health, health care delivery and health care operations.

UnitedHealth Group Incorporated was incorporated in January 1977 in Minnesota. On July 1, 2015, UnitedHealth Group Incorporated changed its state of incorporation from Minnesota to Delaware pursuant to a plan of conversion. Shares of UnitedHealth Group are traded on the NYSE under the ticker symbol **UNH**. The address and telephone number of UnitedHealth Group is UnitedHealth Group Center, 9900 Bren Road East, Minnetonka, Minnesota 55343, (952) 936-1300. UnitedHealth Group also maintains a website at <http://www.unitedhealthgroup.com>. UnitedHealth Group's website and the information contained therein or connected thereto shall not be deemed to be incorporated in this document, and you should not rely on any such information in deciding whether to tender your SCA shares in the offer.

Offeror

Spartan Merger Sub 1, Inc. is a Delaware corporation and an indirect wholly owned subsidiary of UnitedHealth Group. The Offeror was incorporated on January 5, 2017 for the purpose of making the offer and consummating the mergers. The Offeror has engaged in no business activities to date and it has no material assets or liabilities of any kind, other than those incident to its formation and those incurred in connection with the merger agreement, the offer and the mergers.

The address and telephone number of the Offeror's principal executive offices is c/o UnitedHealth Group Incorporated, UnitedHealth Group Center, 9900 Bren Road East, Minnetonka, Minnesota 55343, (952) 936-1300.

Merger Sub

Spartan Merger Sub 2, LLC is a Delaware limited liability company and a direct wholly owned subsidiary of UnitedHealth Group. Merger Sub was formed on January 5, 2017 for the purpose of consummating the second merger. Merger Sub has engaged in no business activities to date and it has no material assets or liabilities of any kind, other than those incident to its formation and those incurred in connection with the mergers.

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The address and telephone number of Merger Sub's principal executive offices is c/o UnitedHealth Group Incorporated, UnitedHealth Group Center, 9900 Bren Road East, Minnetonka, Minnesota 55343, (952) 936-1300.

SCA

Surgical Care Affiliates, Inc. is a leading provider of solutions to physicians, health plans, and health systems to optimize surgical care. SCA operates one of the largest networks of surgical facilities in the United States, which as of December 31, 2016, included 197 ambulatory surgery centers and seven surgical hospitals in partnership with approximately 3,000 physician partners.

Surgical Care Affiliates, Inc., a Delaware corporation, was converted from a Delaware limited liability company, previously named ASC Acquisition LLC, to a Delaware corporation on October 30, 2013. Its shares trade on Nasdaq Global Select Market under the ticker symbol SCAI.

The address and telephone number of SCA's principal executive offices is 510 Lake Cook Road, Suite 400, Deerfield, Illinois 60015, (847) 236-0921.

SCA also maintains a website at <http://www.scasurgery.com>. SCA's website and the information contained therein or connected thereto shall not be deemed to be incorporated in this document, and you should not rely on any such information in deciding whether to tender your SCA shares in the offer.

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THE TRANSACTIONS

General

UnitedHealth Group, through the Offeror, which is an indirect wholly owned subsidiary of UnitedHealth Group, is offering upon the terms and subject to the conditions set forth in this document and in the accompanying letter of transmittal, to exchange for each outstanding share of SCA common stock that is validly tendered in the offer and not properly withdrawn:

\$11.40 in cash, without interest and less any applicable withholding taxes (the default cash consideration); and

a number of shares of UnitedHealth Group common stock, par value \$0.01 per share, equal to the amount obtained by dividing \$45.60 by the volume weighted average of the closing sale prices per share of UnitedHealth Group common stock on the NYSE, as reported in the New York City edition of *The Wall Street Journal* on each of the five full consecutive trading days ending on and including the third business day prior to the final expiration date of the offer, together with cash in lieu of any fractional shares of UnitedHealth Group common stock, without interest and less any applicable withholding taxes (the default stock consideration).

We refer to the above as the default transaction consideration. In lieu of delivering the default transaction consideration, UnitedHealth Group may, by providing written notice to SCA no later than 5:00 p.m., New York City time, on the tenth business day prior to the final expiration date of the offer, deliver (i) an amount in cash greater than the default cash consideration and not to exceed \$27.93 per share of SCA common stock, without interest and less any applicable withholding taxes (we refer to the cash consideration, including as it may be increased at UnitedHealth Group's election, as the applicable cash consideration), and (ii) a number of shares of UnitedHealth Group common stock equal to (a) \$57.00 minus the applicable cash consideration, divided by (b) the volume weighted average of the closing sale prices per share of UnitedHealth Group common stock on the NYSE, as reported in the New York City edition of *The Wall Street Journal* on each of the five full consecutive trading days ending on and including the third business day prior to the final expiration date of the offer, together with cash in lieu of any fractional shares of UnitedHealth Group common stock, without interest and less any applicable withholding taxes (we refer to the stock consideration, including as it may be decreased at UnitedHealth Group's election, as the applicable stock consideration). We refer to the applicable cash consideration and the applicable stock consideration together as the transaction consideration.

SCA stockholders will not receive any fractional shares of UnitedHealth Group common stock in the offer or the first merger, and each SCA stockholder who otherwise would be entitled to receive a fraction of a share of UnitedHealth Group common stock pursuant to the offer or the first merger will be paid an amount in cash (without interest) in lieu thereof, based on the volume weighted average of the closing sale prices per share of UnitedHealth Group common stock on the NYSE, as reported in the New York City edition of *The Wall Street Journal* on each of the five full consecutive trading days ending on and including the third business day prior to the final expiration date of the offer.

The offer is for 100% of the outstanding shares of common stock, par value \$0.01 per share, of SCA. The purpose of the offer and the first merger is for UnitedHealth Group to acquire control of, and ultimately all of the outstanding equity in, SCA. The offer is the first step in UnitedHealth Group's plan to acquire all of the outstanding SCA shares. As a second step in such plan, if the offer is completed, pursuant to the terms and subject to the conditions of the

merger agreement, as soon as practicable following the consummation of the offer, UnitedHealth Group intends to consummate a merger of the Offeror with and into SCA, with SCA surviving the merger. Immediately following the first merger, the surviving corporation will merge with and into Merger Sub, with Merger Sub surviving the second merger. As a result of the second merger, the surviving corporation will be converted from a corporation into a limited liability company. If the offer is completed, tendered shares of SCA common stock will be exchanged for the transaction consideration, and if the first merger is completed, any remaining shares of SCA common stock that were not tendered into the offer (other than

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certain dissenting, converted or cancelled shares, as described further in this document) will be converted into the right to receive the transaction consideration.

Background of the Transactions

The SCA Board, with the assistance of SCA's senior management, has regularly reviewed and evaluated the potential strategic alternatives available to SCA (including possible acquisitions, divestitures, joint ventures, business collaborations and business combination transactions) to maximize stockholder value. As part of this review, the SCA Board has periodically considered whether the continued execution of SCA's business strategy as a standalone company, or a business combination with a third party, would provide the best path to enhance stockholder value.

In addition, in the ordinary course SCA regularly engages in discussions with a variety of other organizations concerning commercial partnering opportunities. Over the past two years, SCA has engaged in such discussions with UnitedHealth Group with respect to a commercial relationship focused on, among other things, the development of a national contract between SCA and UnitedHealth Group that would include value-based contracts for surgical care based on quality, patient experience and efficiency and the establishment of partnerships between SCA and medical groups associated with UnitedHealth Group's OptumCare business whereby SCA would partner with such medical groups to optimize surgical delivery (quality, experience and cost) in specific markets.

From time to time during 2015, in consultation with members of the SCA Board, Mr. Hayek met with UnitedHealth Group representatives (including Stephen Hemsley, the Chief Executive Officer of UnitedHealth Group, and David S. Wichmann, the President of UnitedHealth Group). During these meetings, Mr. Hayek provided the UnitedHealth Group representatives with an overview of SCA and its business model of partnering in specific markets with health plans, medical groups and health systems to enhance the delivery of surgical care, and had further discussions with UnitedHealth Group representatives about the proposed commercial relationship.

At a November 2015 meeting between Messrs. Hayek and Wichmann, Mr. Wichmann briefly raised the potential benefits of a business combination between SCA and UnitedHealth Group's OptumCare division. The UnitedHealth Group board of directors, with the assistance of UnitedHealth Group's senior management, has regularly reviewed opportunities for expanding UnitedHealth Group's care management and local care delivery services, including through the acquisition of ambulatory surgery centers. For the reasons described in the section of this prospectus/offer to exchange entitled "The Transactions" and UnitedHealth Group's Reasons for the Transactions, over the course of these reviews, UnitedHealth Group identified SCA as a potential acquisition opportunity. UnitedHealth Group's senior management began updating the UnitedHealth Group board of directors regarding the status of the proposed commercial arrangements with SCA, as well as SCA's financial and operational performance, on a quarterly basis in November 2015.

Also in November 2015, a representative of another healthcare organization with which SCA had an existing commercial relationship ("Company A") asked Mr. Hayek whether he would be interested in joining Company A as a senior executive. Mr. Hayek indicated that he was committed to remaining in his position with SCA. The Company A representative then suggested the possibility of a business combination between the companies in which Mr. Hayek would assume a senior leadership role in Company A that would include continued responsibility for SCA's business. The representative of Company A did not indicate any price or valuation at which Company A would be interested in pursuing a potential business combination transaction in these discussions.

On December 1, 2015, at a regularly scheduled meeting, the SCA Board discussed the expressions of interest by UnitedHealth Group and Company A in a potential business combination transaction with SCA. The SCA Board discussed various aspects of both potential business combinations, including the risks that they

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would implicate for SCA in light of certain change of control provisions contained in agreements governing certain of SCA's key joint ventures. The SCA Board agreed that the counterparty in any potential transaction would need to assume the risk with respect to such change of control provisions, and that any transaction otherwise would need to offer SCA's stockholders a material premium to the then current trading price of the SCA shares (which was in a range of \$35 to \$38 per SCA share). The SCA Board directed Mr. Hayek to continue his dialogue with both of UnitedHealth Group and Company A, and to report any material developments to the SCA Board.

Later in December 2015, Messrs. Hayek and Wichmann met to further discuss the proposed commercial relationship. At this meeting, Messrs. Hayek and Wichmann also discussed the potential benefits of combining SCA and UnitedHealth Group's OptumCare division, including the ability to create a national clinical delivery network that included primary care physicians, urgent care clinics, and surgery centers and the potential for SCA to serve as a platform for creating the surgical delivery component of that network. Messrs. Hayek and Wichmann also scheduled additional meetings between Mr. Hayek and UnitedHealth Group executives to occur in January 2016.

Also in December 2015, Mr. Hayek spoke by telephone with the representative of Company A. The representative advised Mr. Hayek that Company A was unlikely to offer a material premium to the then current trading price of the SCA shares (which was in a range of \$35 to \$41 per SCA share) and that a business combination transaction with SCA would be dependent upon Mr. Hayek's willingness to assume a senior leadership role within Company A that would require Mr. Hayek to relocate. Following consultation with the SCA Board, Mr. Hayek later advised the Company A representative that, for personal reasons, he would not be in a position to relocate, but that the SCA Board would otherwise consider a proposal for a business combination that would offer the SCA stockholders a material premium to the then-current trading price of the SCA shares (which was in a range of \$35 to \$41 per SCA share). While SCA and Company A continued to engage on their commercial relationship, Company A did not make any additional proposals or engage in any further discussions regarding a potential business combination transaction.

From time to time between January and July of 2016, Messrs. Hayek and Wichmann met in person or spoke by telephone to discuss further the commercial relationships between SCA and UnitedHealth Group, and they engaged from time to time regarding the potential merits of a potential business combination between SCA and UnitedHealth Group's OptumCare division. Mr. Hayek provided the SCA Board with periodic updates with respect to such discussions.

In a meeting on July 29, 2016, Mr. Wichmann advised Mr. Hayek that he believed that there was a strong strategic rationale to combine SCA with UnitedHealth's OptumCare division and that UnitedHealth Group therefore was interested in pursuing an all-stock business combination transaction with SCA in which the stockholders of SCA would receive shares of UnitedHealth Group common stock in exchange for their SCA shares. Mr. Hayek updated the SCA Board on his discussion with Mr. Wichmann.

On August 23, 2016, in addition to reporting on such discussions, Mr. Hayek provided the SCA Board with an overview of publicly available research analyst reports regarding UnitedHealth Group. The SCA Board determined that, given no further determination had been made to engage in a sale or change-in-control of SCA, before engaging in more substantive discussions with UnitedHealth Group or permitting UnitedHealth Group to engage in in-depth due diligence, it should be confirmed that the financial terms on which UnitedHealth Group would be willing to pursue a transaction would be acceptable to the SCA Board and likely to lead to a transaction that the SCA Board would be prepared to recommend to the holders of SCA common stock. The SCA Board also discussed and affirmed the prior discussions of the SCA Board that UnitedHealth Group would need to assume the transaction risk attendant to the change of control provisions contained in the agreements governing certain of SCA's key joint ventures. The SCA Board thus determined that Todd B. Sisitsky, SCA's lead outside director, and members of SCA's standing Transactions Committee of the SCA Board, consisting of Thomas Geiser and

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Jeffrey Rhodes, would provide oversight of, and guidance to, Mr. Hayek in connection with further discussions with UnitedHealth Group regarding a potential business combination transaction. Messrs. Sisitsky and Rhodes are also partners of TPG Capital, LP, an affiliate of TPG Global, LLC (TPG Global).

In addition to the meetings and conference calls further described below, from August 23, 2016 until the Merger Agreement was executed by SCA and UnitedHealth Group on January 7, 2017, Messrs. Sisitsky, Geiser and Hayek participated in numerous conference calls, including with outside advisors, to discuss the potential transaction with UnitedHealth Group.

On August 30, 2016 and September 2, 2016, Mr. Hayek met with Mr. Wichmann and other UnitedHealth Group executives. In the course of these meetings, Messrs. Hayek and Wichmann continued their discussions concerning the possible financial terms of a business combination transaction between SCA and UnitedHealth Group. Mr. Wichmann indicated that UnitedHealth Group's analysis of a potential transaction supported a range of value from \$50 to \$55 per SCA share. Mr. Hayek conveyed to Mr. Wichmann that while the SCA Board had not determined to engage in any transaction or discussed the price at which it might be willing to do so, Mr. Hayek believed that affiliates of TPG Global, collectively SCA's largest shareholders holding approximately 30% of the outstanding SCA shares (the TPG Stockholders), would not support any transaction at a price of less than \$60 per share of SCA common stock. The closing trading price of the SCA common stock on September 2, 2016 was \$42.78 per share of SCA common stock.

On September 14, 2016, in a telephone call between Messrs. Hayek and Wichmann, Mr. Wichmann informed Mr. Hayek that UnitedHealth Group was not prepared to pursue a transaction with SCA at the \$60 per share of SCA common stock price level. Mr. Wichmann suggested, however, that the parties continue their discussions regarding expanding their commercial relationship. The closing trading price of the SCA common stock on September 14, 2016 was \$40.36 per SCA share.

On September 15, 2016, Mr. Hayek reported on his conversation with Mr. Wichmann to the SCA Board at a regularly scheduled meeting thereof. The SCA Board agreed that Mr. Hayek should continue his dialogue with Mr. Wichmann regarding the proposed commercial relationship between the companies, and that Mr. Hayek would update the SCA Board on any further expression of interest regarding a potential business combination.

Messrs. Hayek and Wichmann continued to engage in discussions about the proposed commercial relationship, including development of a national contract with UnitedHealth Group and partnerships with OptumCare medical groups, throughout October 2016, regarding which Mr. Hayek reported to the SCA Board at its regularly scheduled monthly financial review calls on October 4, 2016 and November 4, 2016.

On December 6, 2016, Mr. Hayek met with Mr. Wichmann to discuss progress on their commercial relationship. At that meeting, Mr. Wichmann shared that UnitedHealth Group had decided to expand into surgical delivery as part of its OptumCare delivery network, that UnitedHealth Group viewed SCA as a leading surgical services platform, and that he believed that the parties should re-engage in discussions regarding a potential business combination. Mr. Hayek indicated that he would share this information with the SCA Board, that any detailed discussion of potential terms would include Mr. Sisitsky, as lead independent director, and that he and Mr. Sisitsky would work closely with the Transactions Committee of the SCA Board.

At a regularly scheduled meeting held on December 8, 2016, the SCA Board discussed a potential business combination transaction with UnitedHealth Group. The SCA Board instructed Messrs. Sisitsky and Hayek to meet with Mr. Wichmann as a next step to explore the terms of a potential business combination.

On December 9, 2016, Messrs. Hayek and Sisitsky spoke by telephone with Mr. Wichmann. On the call, Mr. Wichmann stated that UnitedHealth Group would be interested in pursuing a business combination transaction in which the SCA stockholders would receive both cash and shares of UnitedHealth stock having a fixed value in exchange for their SCA shares. Mr. Sisitsky indicated that SCA would only engage in discussions

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of a potential transaction with the understanding that any risks related to change of control provisions contained in the agreements governing certain of SCA's key joint ventures would be borne by UnitedHealth Group and that a transaction would not be contingent upon SCA's partners in these joint ventures waiving their change of control rights. Mr. Wichmann informed Messrs. Hayek and Sisitsky that he understood their position and that UnitedHealth Group would be amenable to working with SCA to reduce the risks associated with the change of control provisions. Mr. Sisitsky also noted that the process of due diligence would need to be expeditious in order to ensure the confidentiality of the process and to minimize disruption to the ongoing business operations of SCA. Mr. Wichmann indicated that \$55 per share was the high end of UnitedHealth Group's valuation range for SCA, and Mr. Sisitsky indicated that he and the SCA Board believed that a higher valuation was appropriate given SCA's strategic position and growth prospects. The parties agreed to defer further discussion of the financial terms of a potential transaction until they could meet in person the following week.

On December 14, 2016, during a telephonic meeting of the SCA Board, Mr. Hayek provided the SCA Board with a report on the December 9, 2016 call with Mr. Wichmann. At the meeting, the SCA Board also determined to engage J.P. Morgan Securities LLC (J.P. Morgan) as financial advisor to SCA (subject to the SCA Board's review of and satisfaction with a relationship disclosure letter to be provided by J.P. Morgan following the meeting, and entering into a mutually acceptable engagement letter with J.P. Morgan), and Cleary Gottlieb as outside counsel to SCA, in connection with SCA's consideration of a potential business combination transaction with UnitedHealth Group. The SCA Board determined to engage J.P. Morgan and Cleary Gottlieb based on, among other factors, each of J.P. Morgan's and Cleary Gottlieb's qualifications, expertise and reputation and their familiarity with SCA. During this meeting, Cleary Gottlieb also discussed with the SCA Board certain legal and fiduciary duty considerations relating to a potential business combination transaction involving SCA and UnitedHealth Group.

At a December 16, 2016 meeting, Messrs. Hayek, Sisitsky and Wichmann discussed the principal terms of a potential business combination transaction between SCA and UnitedHealth Group, including price, the timeline and process for further discussions between the parties and the fact that SCA would not be willing to engage in further discussions unless UnitedHealth Group was willing to move forward on the basis that the risks relating to the change of control provisions contained in the agreements governing certain of SCA's key joint ventures would be borne by UnitedHealth Group and that a transaction would not be contingent upon SCA's partners in these joint ventures waiving their change of control rights. Messrs. Hayek, Sisitsky and Wichmann also discussed that in light of the need to ensure the confidentiality of the process and to minimize disruption to the ongoing business operations of SCA and the fact that SCA was scheduled to present at an industry conference on January 9, 2017, SCA and UnitedHealth Group would target an announcement of a transaction prior to the open of trading on the U.S. equity markets on January 9, 2017. Messrs. Sisitsky and Wichmann each shared their respective views regarding the price per share that UnitedHealth Group would pay in consideration for the SCA common stock. Among other things, Mr. Wichmann noted that UnitedHealth Group's analysis supported a valuation range of \$50 to \$55 per share, and Mr. Sisitsky noted that the SCA Board was enthusiastic about SCA's strategy and optimistic regarding SCA's growth prospects, and that he believed a valuation of \$60 per share was appropriate. Messrs. Sisitsky and Wichmann engaged in a robust discussion relating to respective views of valuation and how valuation tied to other deal terms, and, after discussing other key deal points (including that SCA would expect UnitedHealth Group to assume all change of control risks relating to its key joint ventures), ultimately agreed to recommend to their respective boards a price of \$57 per share.

Later on December 16, 2016, Mr. Hayek sent to Mr. Wichmann a draft confidentiality agreement to facilitate the sharing of certain confidential information of SCA with UnitedHealth Group in connection with a potential business combination transaction. The draft confidentiality agreement provided by SCA contained an express standstill provision.

On December 17, 2016, Mr. Wichmann delivered to Mr. Hayek a non-binding written proposal to acquire SCA for \$57 per SCA share. The \$57 per SCA share price represented a 29.4% premium to the 60-day volume

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weighted average price of SCA's common stock as of December 16, 2016. As outlined in the proposal letter, the proposed business combination transaction would be structured as an exchange offer, and the purchase price would be payable in shares of UnitedHealth Group common stock, provided that UnitedHealth Group would have the ability to elect, up until three days prior to closing, to pay up to 30% of the purchase price in cash. UnitedHealth Group's proposal letter also outlined certain other proposed transaction terms, including (i) each party's agreement to use its respective reasonable best efforts to take all appropriate actions and do all things necessary to consummate the transaction within twelve months, subject to certain exceptions, (ii) a termination fee would be payable by SCA in certain circumstances in the amount of 3.5% of the enterprise value of the proposed transaction (or approximately 5.0% of the equity value of the proposed transaction), and (iii) the execution of a tender and support agreement by the TPG Stockholders. UnitedHealth Group also requested a thirty-day exclusivity period, during which SCA would be (a) required to immediately terminate any other discussions or negotiations with third parties, and (b) prevented from, among other things, soliciting or initiating discussions or negotiations with any third party, regarding a transaction involving a sale of 10% or more of SCA's equity interests or assets.

Later on December 17, 2016, a representative of UnitedHealth Group sent comments to the draft confidentiality agreement to representatives of SCA and Cleary Gottlieb, which, among other things, eliminated the express standstill provision contained in the draft confidentiality agreement.

On the evening of December 17, 2016, Messrs. Hayek, Sisitsky and Geiser held a telephonic meeting with representatives of Cleary Gottlieb to discuss UnitedHealth Group's proposal letter and comments to the confidentiality agreement. Following this discussion, Messrs. Hayek, Sisitsky and Geiser instructed the representatives of Cleary Gottlieb to engage with representatives of UnitedHealth Group and Hogan Lovells, outside counsel to UnitedHealth Group, to obtain greater clarity on certain aspects of the proposal letter and comments to the confidentiality agreement prior to the SCA Board meeting scheduled for December 18, 2016.

On the morning of December 18, 2016, representatives of Cleary Gottlieb spoke by telephone with representatives of UnitedHealth Group and Hogan Lovells and discussed certain aspects of the proposal letter and confidentiality agreement comments. On this call, a representative of UnitedHealth Group stated that while UnitedHealth Group did not intend to pursue a hostile acquisition of SCA, UnitedHealth Group's practice was not to enter into express standstill agreements and that UnitedHealth Group would terminate discussions if SCA insisted that it enter into such an express agreement as a condition to engaging in further discussions.

Later on December 18, 2016, the SCA Board met telephonically with members of SCA management and representatives of J.P. Morgan and Cleary Gottlieb. Messrs. Sisitsky and Hayek first updated the SCA Board on their meeting with Mr. Wichmann. Representatives of Cleary Gottlieb then discussed the key terms of the UnitedHealth Group proposal letter and confidentiality agreement with the SCA Board, members of SCA management and representatives of J.P. Morgan. Members of SCA management then discussed with the SCA Board management's financial projections for SCA for fiscal years 2016 through 2021, which discussion included the key drivers and the risks SCA faced in achieving the financial projections. The financial projections were based on SCA's normal long-term planning process from earlier in the year, updated for actual year-to-date results, current forecasts of overhead spending, recent same-site growth trends and SCA's development pipeline. Representatives of J.P. Morgan then discussed with the SCA Board certain of J.P. Morgan's relationships and previous engagements with SCA and UnitedHealth Group and noted that they intended to provide the SCA Board with information relating to certain of J.P. Morgan's relationships and engagements with the TPG Stockholders and certain of their affiliates in the coming days. Following careful consideration, the SCA Board determined that the relationships and engagements disclosed by J.P. Morgan did not adversely impact J.P. Morgan's independence or ability to serve as financial advisor to SCA. J.P. Morgan also provided the SCA Board with an overview of potential counterparties that might be perceived as having an interest in pursuing a potential business combination transaction with SCA. Representatives of J.P. Morgan also

discussed preliminary financial analyses of the terms of UnitedHealth Group's proposal and publicly available information regarding SCA and UnitedHealth Group, each on a standalone basis, with the SCA Board. Following careful consideration and discussions with members of SCA management and representatives of J.P. Morgan and Cleary Gottlieb, the SCA

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Board directed the representatives of Cleary Gottlieb to convey SCA's responses to the proposal letter and confidentiality agreement comments to representatives of UnitedHealth Group and Hogan Lovells and, subject to the satisfactory resolution of the issues raised by the proposal letter and comments to the confidentiality agreement, authorized SCA management to continue the discussions with UnitedHealth Group regarding a potential business combination transaction.

Following the SCA Board meeting, representatives of Cleary Gottlieb spoke by telephone with representatives of UnitedHealth Group and Hogan Lovells to discuss SCA's responses to the proposal letter and confidentiality agreement comments, which included (i) rejecting the request for exclusivity, (ii) proposing to reduce the amount of the termination fee to 3% of the equity value of the proposed transaction (or approximately \$75 million), (iii) reiterating that prior to permitting UnitedHealth Group to perform in-depth due diligence on SCA, UnitedHealth Group would need to confirm that it was willing to assume the risks relating to the change of control provisions contained in the agreements governing certain of SCA's key joint ventures and that any transaction would not be contingent upon SCA's partners in these joint ventures waiving their change of control rights, and (iv) based on the statements made by a representative of UnitedHealth Group as to UnitedHealth Group's unwillingness to enter into an express standstill agreement, accepting the request to eliminate the express standstill provision from the confidentiality agreement.

Over the next several days, representatives of SCA and UnitedHealth Group and their respective legal advisors continued to discuss and negotiate the terms of the proposal letter and draft confidentiality agreement, including the amount of the termination fee and the scope of UnitedHealth Group's obligations to obtain the required regulatory approvals. During this time, members of SCA management and Cleary Gottlieb continued to discuss these matters, including the appropriate size of the termination fee, with Messrs. Sisitsky and Geiser. Following numerous discussions between the parties, Messrs. Hayek and Wichmann agreed, subject to satisfactory resolution of the other terms and conditions of the transaction agreements, to recommend to their respective boards of directors a termination fee of \$90 million (or approximately 3.7% of the equity value of the proposed transaction).

On the morning of December 19, 2016, SCA and UnitedHealth Group entered into a confidentiality agreement effective as of December 18, 2016 relating to the proposed transaction, and thereafter UnitedHealth Group and its advisors were provided access to SCA's electronic data room.

Later on December 19, 2016, certain representatives of SCA, including Mr. Hayek, met with representatives of UnitedHealth Group, including Mr. Wichmann, to present certain information regarding SCA. From December 19, 2016 until the execution of the Merger Agreement on January 7, 2017, representatives of UnitedHealth Group and its advisors continued their due diligence investigation of SCA.

On December 20, 2016, the SCA Board met telephonically with members of SCA management and representatives of J.P. Morgan and Cleary Gottlieb. Mr. Hayek first updated the SCA Board on his discussions with Mr. Wichmann regarding a potential business combination transaction and the December 19, 2016 meeting between representatives of SCA and UnitedHealth Group. Mr. Sisitsky informed the SCA Board that Messrs. Hayek and Wichmann had agreed to recommend to their respective boards of directors a termination fee \$90 million and that this recommendation was supported by Messrs. Sisitsky and Geiser. Representatives of J.P. Morgan and Cleary Gottlieb noted that in their view a termination fee of \$90 million was within the range of a market termination fee for a transaction of this nature, and representatives of Cleary Gottlieb noted that in their view such termination fee was reasonable. Representatives of Cleary Gottlieb then updated the SCA Board on certain other aspects of the discussions with representatives of UnitedHealth Group and Hogan Lovells relating to the proposal letter and confidentiality agreement comments and the proposed resolution of the other open issues that had been previously discussed with the SCA Board. After further discussions and careful consideration, the SCA Board instructed members of SCA management and the

representatives of J.P. Morgan and Cleary Gottlieb to continue the discussions with UnitedHealth Group and its advisors regarding a potential business combination transaction consistent with the guidance provided by the SCA Board. The SCA Board then further discussed the

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financial projections considered by the SCA Board at the December 18, 2016 meeting and, after careful consideration, approved the financial projections and authorized SCA management to share the financial projections with UnitedHealth Group.

On December 20, 2016, J.P. Morgan provided information regarding certain of its relationships and previous engagements with the TPG Stockholders and certain of their affiliates to the SCA Board.

Also on December 20, 2016, Mr. Wichmann delivered to Mr. Hayek a revised, non-binding proposal to acquire SCA for \$57 per share of SCA common stock. The terms of UnitedHealth Group's revised proposal were substantially consistent with those contained in UnitedHealth Group's December 17 proposal, except that, as discussed between representatives of SCA and UnitedHealth Group and their respective legal advisors, (i) the amount of the proposed termination fee had been reduced to \$90 million, and (ii) the proposed exclusivity agreement and certain other terms had been eliminated.

On December 21, 2016, Mr. Wichmann confirmed to Mr. Hayek that UnitedHealth Group was prepared to assume the risks relating to the change of control provisions contained in the agreements governing certain of SCA's key joint ventures and understood that any transaction would not be contingent upon SCA's partners in these joint ventures waiving their change of control rights. Through the signing of the merger agreement, representatives of UnitedHealth Group and SCA engaged in joint discussions on how to mitigate the risks relating to the change of control provisions.

On December 22, 2016, the SCA Board met telephonically with members of SCA management and representatives of J.P. Morgan and Cleary Gottlieb. Mr. Hayek updated the SCA Board on the discussions with UnitedHealth Group regarding a potential business combination transaction. Representatives of Cleary Gottlieb also summarized for the SCA Board the terms of UnitedHealth Group's December 20 proposal. The SCA Board also discussed the information J.P. Morgan had provided on December 20, 2016 regarding certain of its relationships and previous engagements with the TPG Stockholders and certain of their affiliates. Following careful consideration, the SCA Board determined that the relationships and engagements disclosed by J.P. Morgan did not adversely impact J.P. Morgan's independence or ability to serve as financial advisor to SCA.

Later on December 22, 2016, representatives of Hogan Lovells sent an initial draft of the merger agreement to representatives of Cleary Gottlieb.

On December 24, 2016, after consulting with representatives of Cleary Gottlieb and noting that agreement had been reached on the key economic terms of the proposed transaction, Messrs. Sisitsky and Geiser, on behalf of the SCA Board, authorized Mr. Hayek to commence discussions with UnitedHealth Group regarding the terms of employment for Mr. Hayek and certain other SCA executives following the closing of the transactions.

On December 26, 2016, Messrs. Sisitsky, Geiser and Hayek and representatives of Cleary Gottlieb met telephonically to discuss the key issues raised by the draft merger agreement and Messrs. Sisitsky, Geiser and Hayek provided the representatives of Cleary Gottlieb with guidance on the key issues.

On December 27, 2016, representatives of Cleary Gottlieb circulated a revised draft of the merger agreement to representatives of Hogan Lovells.

Between December 26, 2016 and December 28, 2016, SCA and UnitedHealth Group held due diligence meetings. On December 28, 2016, representatives of UnitedHealth Group and SCA also held meetings with their respective legal advisors at which certain terms of the draft merger agreement were negotiated. Following the December 28, 2016 meeting until the merger agreement was executed by the parties on the morning of January 7, 2017, representatives of

Cleary Gottlieb, Hogan Lovells and UnitedHealth Group held several telephonic meetings to discuss and negotiate the terms and conditions of the draft merger agreement. During the same period, Messrs. Hayek and Wichmann spoke on several occasions to discuss certain terms of the draft merger agreement.

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On December 29, 2016, Hogan Lovells circulated a revised draft of the merger agreement to Cleary Gottlieb.

On December 30, 2016, during a telephonic meeting of the SCA Board, Mr. Hayek provided the SCA Board with updates regarding his discussions with Mr. Wichmann regarding a potential business combination transaction. Mr. Hayek also updated the SCA Board on the meetings that had taken place on December 26 through December 28 among SCA, UnitedHealth Group and their respective advisors. Representatives of Cleary Gottlieb then addressed various questions from members of the SCA Board relating to, among other things, the structure of the proposed consideration to be received by SCA's stockholders in the proposed transaction. Representatives of J.P. Morgan then presented their preliminary valuation analyses of the proposed consideration to be received by SCA's stockholders in the proposed transaction and views as to other potential counterparties, including Company A, that might be perceived to have an interest in pursuing a potential business combination transaction with SCA. Representatives of J.P. Morgan noted that UnitedHealth Group's strategic interest in SCA made it a unique buyer and the best possible suitor for SCA. In this respect, representatives of J.P. Morgan also expressed their view that it would be unlikely for a competing bidder to be interested and capable of acquiring SCA at a price that would be higher than that proposed by UnitedHealth Group or capable of assuming the change-in-control risks relating to certain key joint ventures, which UnitedHealth Group had advised SCA that it was prepared to do. The SCA Board also discussed the risk that UnitedHealth Group would terminate discussions with SCA if it were to learn SCA was soliciting alternative proposals from other parties and the harm that could result to SCA if its discussions with UnitedHealth Group or solicitation of alternative proposals were to become public. The SCA Board also discussed with representatives of Cleary Gottlieb and J.P. Morgan the timeline for commencing the offer and consummating the transactions and the fact that the draft merger agreement would, under certain circumstances, permit SCA to respond to unsolicited acquisition proposals and terminate the merger agreement to accept an unsolicited acquisition proposal that was financially superior to the transactions following compliance with UnitedHealth Group's matching right and payment of the \$90 million termination fee, which the SCA Board believed was unlikely to meaningfully deter other acquisition proposals. After careful consideration and taking into account the input of SCA's financial and legal advisors, the SCA Board determined not to contact other potential counterparties to gauge their interest in pursuing a potential business combination transaction at that time and to continue discussing a potential business combination transaction with UnitedHealth Group.

On December 31, 2016, Mr. Wichmann advised Mr. Hayek that UnitedHealth Group wished to modify its proposal to increase the amount of cash it could substitute for UnitedHealth Group common stock in the proposed consideration, with the stock consideration comprising a smaller percentage of the total consideration, and the rest of the proposed consideration to be paid in cash. Following discussions with Messrs. Sisitsky and Geiser and SCA's financial and legal advisors, Mr. Hayek advised Mr. Wichmann that he would be prepared to recommend to the SCA Board to provide UnitedHealth Group with greater flexibility to increase the portion of the total consideration that would consist of cash so long as at least 51% of the total consideration would continue to consist of UnitedHealth Group common stock, which Mr. Wichmann confirmed would be acceptable to UnitedHealth Group.

On January 2, 2017, during a telephonic meeting of the SCA Board, Mr. Hayek updated the SCA Board on discussions between representatives of SCA and UnitedHealth Group on a range of topics during certain diligence sessions held on December 31, 2016 and January 1, 2017. Mr. Hayek also updated the SCA Board on his discussions with Mr. Wichmann on December 31, 2016 relating to the potential business combination transaction involving SCA and UnitedHealth Group, including UnitedHealth's request to increase the portion of the total consideration that would be comprised of cash. After discussion and careful consideration, the SCA Board agreed that the proposed change to the stock component of the transaction consideration was acceptable. Members of SCA's management then left the meeting, and an executive session of the SCA Board was held to further discuss the status of discussions with UnitedHealth Group and the proposed next steps.

Also on January 2, 2017, representatives of Cleary Gottlieb sent to representatives of Hogan Lovells a revised draft of the merger agreement and an initial draft of the tender and support agreement to be entered into by the TPG Stockholders, UnitedHealth Group and the Offeror.

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On January 3, 2017, Cleary Gottlieb and Hogan Lovells spoke by telephone to discuss, among other things, certain of SCA's comments to the merger agreement and UnitedHealth Group's positions with respect to such comments. On January 4, 2017, Hogan Lovells circulated revised drafts of the merger agreement and the tender and support agreement to Cleary Gottlieb. From January 4, 2017 until the tender and support agreement was executed by the TPG Stockholders, UnitedHealth Group and the Offeror on the morning of January 7, 2017, representatives of Cleary Gottlieb and Hogan Lovells held several telephonic meetings to discuss and negotiate the terms and conditions of the draft tender and support agreement.

On January 4, 2017, during a telephonic meeting of the SCA Board, Mr. Hayek updated the SCA Board on the discussions and negotiations between representatives of SCA and UnitedHealth Group and their respective advisors regarding a potential business combination transaction. Representatives of Cleary Gottlieb then updated the SCA Board on the status of discussions with representatives of UnitedHealth Group and Hogan Lovells with respect to the terms and conditions of the draft merger agreement and draft tender and support agreement. Representatives of Cleary Gottlieb also noted that at the meeting of the SCA Board scheduled for January 6, 2017 it anticipated making a presentation to the SCA Board on the principal terms of the merger agreement and the tender and support agreement and a forum selection bylaw that it would be recommending that the SCA Board adopt in connection with the transaction. The SCA Board also engaged in a discussion with respect to the employment terms UnitedHealth Group had proposed to offer certain SCA executives as contemplated by the draft employment agreements UnitedHealth Group had sent to Mr. Hayek on January 3, 2017. Mr. Hayek noted that the proposed terms were being reviewed by outside counsel to SCA's management team. Members of SCA's management then left the meeting, and an executive session of the SCA Board was held to further discuss the status of discussions with UnitedHealth Group and the proposed next steps.

On the evening of January 6, 2017, the SCA Board held a telephonic meeting with members of SCA management and representatives of Cleary Gottlieb. At this meeting, representatives of Cleary Gottlieb discussed with the SCA Board certain legal and fiduciary duty considerations relating to the proposed transaction with UnitedHealth Group. Mr. Geiser then reviewed with the SCA Board the principal terms of the proposed engagement letter with J.P. Morgan, pursuant to which J.P. Morgan would be engaged as outside financial advisor to SCA in connection with the transactions. Following careful consideration, the SCA Board approved the engagement letter with J.P. Morgan and later that day SCA entered into the engagement letter with J.P. Morgan effective as of December 14, 2016. Representatives of J.P. Morgan then joined the meeting of the SCA Board. Representatives of Cleary Gottlieb then reviewed with the SCA Board the principal terms and conditions of the merger agreement and tender and support agreement. Representatives of Cleary Gottlieb also provided the SCA Board with an overview of the treatment of the existing SCA equity awards in the proposed transaction, and briefly discussed the 2017 equity awards expected to be granted to certain members of SCA management and the employment agreements to be entered into by certain members of SCA management with UnitedHealth Group concurrently with the execution of the merger agreement and to become effective upon the closing of the transactions. Representatives of J.P. Morgan then presented their financial analyses of the transaction consideration and confirmed to the SCA Board that there had been no material changes to such analyses from the presentation made by J.P. Morgan to the SCA Board on December 30, 2016. Representatives of J.P. Morgan then delivered to the SCA Board J.P. Morgan's oral opinion, which was confirmed by delivery of a written opinion, dated January 7, 2017, that, as of such date, and based upon and subject to the factors and assumptions set forth in its opinion, the transaction consideration to be paid in the proposed transactions to holders of SCA common stock entitled to receive the transaction consideration pursuant to the merger agreement was fair, from a financial point of view, to such holders. Representatives of Cleary Gottlieb then discussed with the SCA Board the forum selection bylaw that was proposed for adoption by the SCA Board in connection with the transaction. Following further discussion and careful consideration, the SCA Board unanimously (i) determined and resolved that the terms of the offer, the mergers and the other transactions contemplated by the merger agreement were advisable, and fair to and in the best interests of, SCA and its stockholders, (ii) determined that it was advisable and in the best

interests of SCA and its stockholders to enter into the merger agreement, and that the merger agreement was advisable, (iii) approved the merger agreement and the transactions contemplated thereby, on the terms and conditions set forth in the merger agreement and (iv) resolved to recommend, subject to its ability to change its

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recommendation as permitted by the Merger Agreement, that SCA's stockholders accept the offer and tender their shares to the Offeror pursuant to the offer. For further information concerning the factors considered by the SCA Board in reaching its decision that the merger agreement and the transactions contemplated thereby, including the offer and the mergers, are in the best interests of the SCA stockholders, and its decision to approve the merger agreement and the transactions contemplated thereby, see *SCA's Reasons for the Transactions; Recommendation of the Board of Directors of SCA*.

Following the SCA Board meeting through the morning of January 7, 2017, Cleary Gottlieb and Hogan Lovells worked to finalize the merger agreement and the tender and support agreement.

On the morning of January 7, 2017, (i) the merger agreement was executed by SCA, UnitedHealth Group, the Offeror and Merger Sub and (ii) the tender and support agreement was executed by UnitedHealth Group, the Offeror and the TPG Stockholders. Concurrently with the execution of the merger agreement and the tender and support agreement, Mr. Hayek and certain other members of SCA management entered into employment agreements with UnitedHealth Group effective as of the closing of the transactions.

On January 9, 2017, prior to the opening of trading of the shares of SCA common stock on Nasdaq, SCA and UnitedHealth Group issued a joint press release announcing the execution of the merger agreement and the tender and support agreement and the forthcoming commencement of the offer.

UnitedHealth Group's Reasons for the Transactions

UnitedHealth Group's board of directors approved the merger agreement and determined that the terms of the merger agreement and the transactions contemplated by the merger agreement, including the offer and the mergers, are in the best interests of UnitedHealth Group and its stockholders. In reaching its determination, UnitedHealth Group's board of directors consulted with UnitedHealth Group's management, as well as with UnitedHealth Group's legal advisors, and considered a variety of factors weighing favorably towards the transactions, including the factors described below.

the combined company is expected to create long-term stockholder value by creating additional growth opportunities relating to SCA's facilities;

trends and competitive developments in the health care industry and the range of strategic alternatives available to UnitedHealth Group;

broader consumer access to higher value, higher quality and lower cost ambulatory surgical centers;

advancement of OptumCare's growth strategy through the addition of more than 200 facilities in 33 states;

the experience and strength of SCA's management team;

the amount and form of consideration to be paid in the transaction, the expected *pro forma* ownership of the combined company and other financial terms of the transactions;

the recommendation of UnitedHealth Group's management in favor of the transactions; and

the expectation that the conditions to consummation of the offer and the first merger will be satisfied on a timely basis.

The board of directors of UnitedHealth Group also identified and considered certain potentially negative factors in its deliberations to be balanced against the positive factors, including:

the risk that the anticipated benefits of the transactions will not be realized in full or in part, including the risks that expected synergies will not be achieved or not achieved on the expected timeframe;

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the risk that while UnitedHealth Group performed due diligence on SCA and its business, the scope of that due diligence was limited and there may be aspects of SCA or its business of which UnitedHealth Group is not aware;

the risk that the transactions may not be consummated despite the parties' efforts or that the closing of the transactions may be unduly delayed;

other costs associated with the transactions;

the risk of diverting UnitedHealth Group management's focus and resources from other strategic opportunities and from operational matters while working to implement the transaction with SCA, and other potential disruption associated with combining the companies, and the potential effects of such diversion and disruption on the businesses and customer relationships of UnitedHealth Group and SCA; and

the risks associated with the transactions, the combined company following the transactions, UnitedHealth Group's business and SCA's business described under the sections entitled "Cautionary Statement Regarding Forward-Looking Statements" and "Risk Factors."

After consideration of these factors, the board of directors of UnitedHealth Group determined that, overall, the potential benefits of the transactions outweighed the potential risks.

This discussion of the information and factors considered by the board of directors of UnitedHealth Group includes the material positive and negative factors considered by the board of directors of UnitedHealth Group, but it is not intended to be exhaustive and may not include all the factors considered by the board of directors of UnitedHealth Group. The board of directors of UnitedHealth Group did not quantify or assign any relative or specific weights to the various factors that it considered in reaching its determination to approve the merger agreement and the transactions. Rather, the board of directors of UnitedHealth Group viewed its position as being based on the totality of the information presented to and factors considered by it. In addition, individual members of the board of directors of UnitedHealth Group may have given differing weights to different factors. It should be noted that this explanation of the reasoning of the board of directors of UnitedHealth Group and certain information presented in this section is forward-looking in nature and, therefore, should be read in light of the factors discussed in the section entitled "Cautionary Statement Regarding Forward-Looking Statements."

SCA's Reasons for the Transactions; Recommendation of the Board of Directors of SCA

In evaluating the merger agreement and the offer, the mergers and the other transactions contemplated by the merger agreement, including the tender and support agreement, the SCA Board consulted with the senior management of SCA, as well as J.P. Morgan and Cleary Gottlieb. In the course of making the determination (i) that the offer, the mergers and the other transactions contemplated by the merger agreement were advisable, fair to and in the best interests of SCA and its stockholders, (ii) that it was advisable and in the best interests of SCA and its stockholders to enter into the merger agreement and that the merger agreement was advisable, and (iii) to recommend that SCA's stockholders accept the offer and tender their SCA shares to the Offeror pursuant to the offer, the SCA Board considered each of the following reasons, among others, each of which the SCA Board believed supported its unanimous determination and recommendation (but which are not presented in any relative order of importance):

Transaction Consideration. The SCA Board considered the fact that the transaction consideration consists of a mix of cash and shares of UnitedHealth Group common stock and that the portion of a share of UnitedHealth Group common stock included in the transaction consideration will be determined based on a floating exchange ratio, which, in combination with the cash portion of the transaction consideration, is designed to maintain the \$57 total value per SCA share of the transaction consideration and therefore provides certainty of value to SCA's stockholders and protects against decreases in the value of UnitedHealth Group

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common stock between the execution of the merger agreement and the determination of the exchange ratio, and:

that this total value per SCA share:

represents a 21.1% premium to the trading price at which the SCA shares closed on January 5, 2017, the last trading day before delivery of J.P. Morgan's oral opinion on January 6, 2017;

represents a 27.2% premium over the volume-weighted average closing price for the SCA shares for the 30-trading day period ending on and including January 5, 2017;

represents a 9.6% premium to the highest closing price for the SCA shares during the last 52-weeks ending on and including January 5, 2017; and

exceeded the all-time high trading price of the SCA shares; and

the SCA Board considered that, based on discussions and negotiations with UnitedHealth Group and its advisors, in its view the transaction consideration represented the highest per-SCA share consideration that UnitedHealth Group was willing to pay.

Form of Consideration. The SCA Board considered that the consideration to be paid to SCA's stockholders consists of a combination of cash and shares of UnitedHealth Group common stock, which with respect to the applicable cash consideration, allows holders of SCA shares to realize immediate value, in cash, for their investment in SCA, without the continued exposure to SCA's business risks and the uncertainty associated with SCA executing on its standalone plan, and with respect to the applicable stock consideration, provides holders of SCA shares with the ability to participate in the future growth of UnitedHealth Group. SCA also considered that shares of UnitedHealth Group common stock are highly liquid and that UnitedHealth Group pays quarterly dividends while SCA does not.

Business and Financial Condition of SCA. The SCA Board considered SCA's business, financial condition, results of operations, business, competitive position, properties, assets and prospects as well as its standalone plan. The SCA Board considered, among other factors, that the holders of the SCA shares would continue to be subject to the risks and uncertainties of SCA executing on its standalone plan if it remained independent, including continued financial pressure on smaller physician groups (which constitute a majority of SCA's physician partners), continued risks of hospital employment of independent physicians, reimbursement pressure on SCA's surgical facilities, risk of increased competition, including from hospital systems and new market entrants, risks of declining interest from health plans and medical groups to strategically partner with SCA, and risks of declining valuation metrics for health care providers, and other risks set forth in Part I, Item IA of SCA's Annual Report on Form 10-K for its fiscal year ended December 31, 2016 as filed with the SEC on February 21, 2017. The SCA Board weighed the certainty of realizing a compelling value for SCA

shares in the offer and the mergers compared to the uncertainty that trading values would approach the transaction consideration in the foreseeable future.

Strategic Alternatives. The SCA Board considered its belief that the value offered to holders of SCA shares in the offer and the mergers was more favorable to holders of SCA shares than the potential value of remaining an independent public company and pursuing alternative strategies that might be available to an independent public company.

Tax Treatment of the Offer and the Mergers. The SCA Board considered the fact that the offer and the mergers are expected to be treated as a reorganization within the meaning of Section 368(a) of the Code, and that, as a result, receipt of the applicable stock consideration by stockholders of SCA in exchange for their SCA shares would not be taxable to SCA stockholders that are U.S. persons for federal tax income purposes, although the applicable cash consideration will be taxable up to the total amount of gain realized in the offer and mergers.

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J.P. Morgan's Fairness Opinion and Related Analyses. The SCA Board considered the oral opinion of J.P. Morgan delivered to the SCA Board on January 6, 2017, which was confirmed by delivery of a written opinion dated January 7, 2017, that, as of such date and based upon and subject to the factors and assumptions set forth in its opinion, the transaction consideration to be paid in the proposed offer and the mergers to the holders of SCA shares entitled to receive the transaction consideration pursuant to the merger agreement was fair, from a financial point of view, to such holders, as more fully described below under Opinion of SCA's Financial Advisor.

Paucity of Potentially Interested Counterparties. After discussions with J.P. Morgan and management of SCA, the SCA Board considered the paucity of potentially interested and capable counterparties based on the criteria of whether such parties both had the capacity to compete with the terms proposed by UnitedHealth Group and the likely interest in pursuing a potential business combination transaction with SCA.

Negotiation Process and Procedural Fairness. The SCA Board considered the fact that the terms of the offer and mergers were the result of robust arm's-length negotiations and that the Transaction Committee of the SCA Board, with the assistance of SCA's independent financial and legal advisors, played an active role in the negotiations.

Speed of Completion. The SCA Board considered the anticipated timing of the consummation of the transactions contemplated by the merger agreement, and the structure of the transaction as an exchange offer for the SCA shares, which, subject to the satisfaction or waiver of the applicable conditions set forth in the merger agreement, is expected to allow SCA's stockholders to receive the consideration for their SCA shares in a relatively short time frame, followed by the first merger in which stockholders who do not validly exercise appraisal rights will receive the same consideration as received by those stockholders who tender their SCA shares in the offer. The SCA Board considered that the potential for closing in a relatively short time frame could also reduce the amount of time in which SCA's business would be subject to the operational restrictions contained in the merger agreement and the potential disruption and uncertainty pending closing.

Likelihood of Completion; Certainty of Payment. The SCA Board considered its belief that the offer and the mergers will likely be consummated, based on, among other factors:

the absence of any financing condition to consummation of the offer or the mergers;

the reputation and financial condition of UnitedHealth Group;

the fact that the conditions to the offer and mergers are specific and limited in scope;

the fact that the TPG Stockholders had entered into the Tender and Support Agreement, pursuant to which each TPG Stockholder has agreed to tender the SCA shares held by it into the offer, on the terms and conditions set forth in the Tender and Support Agreement; and

SCA's ability to specifically enforce the merger agreement, including the obligation of UnitedHealth Group and Offeror to consummate the offer and the mergers.

Assumption of Certain Change-in-Control Risks. The SCA Board considered that the risks relating to the change of control provisions contained in the agreements governing certain of SCA's key joint ventures would be borne by UnitedHealth Group and that a transaction would not be contingent upon SCA's partners in these joint ventures waiving their change of control rights. The SCA Board also considered that it was unlikely for a competing bidder to be capable of assuming the change-in-control risks relating to certain key joint ventures, which UnitedHealth Group had advised SCA that it was prepared to do.

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The SCA Board considered other terms of the merger agreement, which are more fully described in the section of this prospectus/offer to exchange entitled *Merger Agreement*. Certain provisions of the merger agreement that the SCA Board considered important included:

Minimum Tender Condition. Consummation of the offer is conditioned on the satisfaction of the minimum tender condition, which, if satisfied, would demonstrate strong support for the offer and the mergers by holders of SCA shares because satisfaction of the minimum tender condition would require that at least a majority of SCA shares would have been tendered in the offer and not withdrawn.

Ability to Respond to Unsolicited Takeover Proposals. Prior to the time of the Offeror's acceptance of SCA shares tendered in the offer, the SCA Board may provide confidential information and/or engage in discussions or negotiations in connection with an unsolicited bona fide written takeover proposal (for further discussion, see the section of this prospectus/offer to exchange entitled *Merger Agreement No Solicitation of Acquisition Proposals*) that did not result from SCA's breach of its non-solicitation obligations if the SCA Board determines in good faith, after consultation with its independent financial advisor and outside legal counsel, that such takeover proposal constitutes or is reasonably likely to lead to a superior proposal (for further discussion, see the section of this prospectus/offer to exchange entitled *Merger Agreement No Solicitation of Acquisition Proposals*) and that the failure to take such action would be inconsistent with the directors' fiduciary duties under applicable law, subject to certain notice requirements in favor of UnitedHealth Group and the entry into an acceptable confidentiality agreement.

Company Adverse Recommendation Change in Response to a Superior Proposal; Ability to Accept a Superior Proposal. The SCA Board may, in connection with a superior proposal, effect a change in recommendation (for further discussion, see the section of this prospectus/offer to exchange entitled *Merger Agreement No Solicitation of Acquisition Proposals*) and/or cause SCA to terminate the merger agreement to enter into a definitive agreement with respect to a superior proposal, if the SCA Board determines in good faith, after consultation with its independent financial advisor and outside legal counsel, that failure to take such action would be inconsistent with the directors' fiduciary duties under applicable law, subject to a five-business day match right that would allow UnitedHealth Group to match a superior proposal, and which will renew for two additional business days upon any revisions to the financial terms or any material revisions to the other terms of the superior proposal. If the merger agreement is terminated in connection with SCA's entering into a definitive agreement with respect to a superior proposal or changing its recommendation in response to a superior proposal, then SCA will have an obligation to pay UnitedHealth Group a termination fee of \$90 million (as more fully described in the section of this prospectus/offer to exchange entitled *Merger Agreement Termination Fee*). The SCA Board also considered, based on discussions with its independent financial and legal advisors, that the amount of the termination fee is comparable to termination fees in transactions of a similar size, was reasonable, would not meaningfully deter competing bids and would not likely be required to be paid unless SCA entered into a more favorable transaction. The SCA Board also recognized that the provisions in the merger agreement relating to match right and termination fees were insisted upon by UnitedHealth Group as a condition to entering into the merger agreement.

General Company Adverse Recommendation Change. The SCA Board may also effect a change in recommendation other than in response to a superior proposal if the SCA Board determines in good faith, after consultation with its independent financial advisor and outside legal counsel, that failure to take such action would be inconsistent with the directors' fiduciary duties under applicable law, subject to a five-business day right that would allow UnitedHealth Group to propose adjustments to the terms and conditions of the merger agreement such that the failure to take such action would no longer be inconsistent with the directors' fiduciary duties under applicable law. If UnitedHealth Group terminates the merger agreement as a result of such adverse change in recommendation, SCA will have an obligation to pay UnitedHealth Group a termination fee of \$90 million (as more fully described in the section of this prospectus/offer to exchange entitled "Merger Agreement Termination Fee").

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Extension of the Offer. Although the Offeror's obligation to accept and pay for all SCA shares that have been validly tendered into the offer and not properly withdrawn is subject to the satisfaction or waiver of a number of conditions, the Offeror is required, under certain circumstances, to extend the offer beyond the initial expiration date which will provide additional time for such conditions to be satisfied (see the section of this prospectus/offer to exchange entitled "Exchange Offer Procedures - Extension, Termination and Amendment of Offer").

End Date. The end date (as defined in the section of this prospectus/offer to exchange entitled "Questions and Answers About the Transactions") under the merger agreement on which either party, subject to certain exceptions, can terminate the merger agreement allows for sufficient time to consummate the offer and the mergers, while minimizing the length of time during which SCA would be required to operate subject to the restrictions on interim operations set forth in the merger agreement.

Obligations to Consummate the Offer and the Mergers. The merger agreement requires UnitedHealth Group to use its reasonable best efforts to consummate the offer and the mergers and to obtain requisite approvals to consummate the offer and the mergers.

Appraisal Rights. The SCA Board considered the availability of statutory appraisal rights under Delaware law in connection with the first merger for stockholders of SCA who do not tender their SCA shares into the offer (and who otherwise comply with the statutory requirements of Delaware law), and who believe that exercising such rights would yield them a greater per-share amount than the transaction consideration, which appraisal rights avoid delays in the transaction so that other stockholders of SCA will be able to receive in the offer and the first merger the transaction consideration, as applicable, for their SCA shares.

In reaching its determinations and recommendations described above, the SCA Board also considered a number of uncertainties, risks and potentially negative factors relevant to the transactions, including the following (but not in any relative order of importance):

Floating Exchange Ratio. The SCA Board considered that because 20-49% of the transaction consideration is payable in cash and the portion of a share of UnitedHealth Group common stock included in the transaction consideration will be determined based on a floating exchange ratio, SCA stockholders will not benefit from any increase in the trading price of UnitedHealth Group common stock between the execution of the merger agreement and the determination of the exchange ratio.

Non-Solicitation Covenant. The SCA Board considered that the merger agreement prohibits SCA from soliciting takeover proposals from third parties (as more fully described in the section of this prospectus/offer to exchange entitled "Merger Agreement - No Solicitation of Acquisition Proposals").

Termination Fee. The SCA Board considered the fact that SCA must pay UnitedHealth Group a termination fee of \$90 million if the merger agreement is terminated under certain circumstances, including to accept a superior proposal (as more fully described in the section of this prospectus/offer to exchange entitled "Merger Agreement - Termination Fee").

Tax Treatment of the Offer and the Mergers. The SCA Board considered the fact that receipt of the applicable cash consideration by stockholders of SCA in exchange for their SCA shares would be taxable to SCA stockholders that are U.S. persons for federal tax income purposes.

Interim Operating Covenants. The SCA Board considered that the merger agreement imposes restrictions on the conduct of SCA's business prior to the consummation of the first merger, requiring SCA and its subsidiaries to conduct their respective businesses in the ordinary course of business in all material respects and use their respective commercially reasonable efforts to, among other things, maintain and preserve intact SCA's business organizations, and keep available the services of their key employees, and that these restrictions may limit SCA and its subsidiaries from taking specified actions, subject to specific limitations, which may delay or prevent SCA from undertaking business

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opportunities that may arise pending completion of the transactions (as more fully described in the section of this prospectus/offer to exchange entitled *Merger Agreement Conduct of SCA's Business Pending the First Merger*).

Risks and Uncertainties Relating to the Combined Business. The SCA Board considered the challenges of combining the business of SCA with that of UnitedHealth Group and the risk that the anticipated performance or operational synergies might not be fully realized.

Risks the Offer and the Mergers May Not Be Completed. The SCA Board considered the risk that the conditions to the offer may not be satisfied and that, therefore, SCA shares may not be purchased pursuant to the offer and the mergers may not be consummated. The SCA Board also considered the risks and costs to SCA if the offer and the mergers are not consummated, including the diversion of management and employee attention, potential employee attrition, the potential effect on vendors, distributors, customers, facilities, partners and others that do business with SCA and the potential effect on the trading price of the SCA shares.

Potential Conflicts of Interest. The SCA Board considered the fact that SCA's executive officers and directors have financial interests in the transactions contemplated by the merger agreement, including the offer and the mergers that may be different from or in addition to those of other stockholders, as more fully described below in *Agreements or Arrangements with Executive Officers and Directors of SCA*.

The foregoing discussion of the reasons considered by the SCA Board is intended to be a summary only and should not be considered an exhaustive list of all of the reasons considered by the SCA Board. The SCA Board unanimously concluded that the positive reasons relating to the merger agreement and the transactions contemplated thereby, including the offer and the mergers, substantially outweighed the potential negative reasons. The SCA Board collectively reached the conclusion to approve the merger agreement and the related transactions, including the offer and the mergers, in light of the various reasons described above and other factors that the members of the SCA Board believed were appropriate. In view of the wide variety of reasons considered by the SCA Board in connection with its evaluation of the merger agreement and the transactions contemplated thereby, including the offer and the mergers, and the complexity of these matters, the SCA Board did not consider it practical, and did not attempt to quantify, rank or otherwise assign relative weights to the specific reasons it considered in reaching its decision, and it did not undertake to make any specific determination as to whether any reason, or any particular aspect of any reason, supported or did not support its ultimate determination. Rather, the SCA Board made its recommendation based on the totality of information it received and the investigation it conducted. In considering the reasons discussed above, individual directors may have given different weights to different reasons. It should be noted that this explanation of the reasoning of the SCA Board and certain information presented in this section is forward-looking in nature and, therefore, should be read in light of the factors discussed in the section entitled *Cautionary Statement Regarding Forward-Looking Statements*.

For the reasons described above, and in light of other factors that they believed were appropriate, the SCA Board unanimously determined and resolved that the terms of the offer, the mergers and the other transactions contemplated by the merger agreement are advisable, and fair to and in the best interests of, SCA and its stockholders, and unanimously resolved to recommend that the stockholders of SCA accept the offer and tender their shares of SCA common stock to the Offeror pursuant to the offer.

Opinion of SCA's Financial Advisor

Pursuant to an engagement letter dated January 6, 2017 (which we refer to in this section of this prospectus/offer to exchange as the engagement letter), SCA retained J.P. Morgan as its financial advisor in connection with the proposed offer and the mergers (referred to in this section of this prospectus/offer to exchange as the transactions).

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At the meeting of the SCA Board of Directors on January 6, 2017, J.P. Morgan rendered its oral opinion to the SCA Board of Directors that, as of such date and based upon and subject to the factors and assumptions set forth in its opinion, the transaction consideration to be paid in the proposed transactions to the holders of SCA shares entitled to receive transaction consideration pursuant to the merger agreement was fair, from a financial point of view, to such holders.

J.P. Morgan has confirmed its January 6, 2017 oral opinion by delivering its written opinion to the SCA Board, dated January 7, 2017, that, as of such date and based upon and subject to the factors and assumptions set forth in its opinion, the transaction consideration to be paid in the proposed transactions to the holders of SCA shares entitled to receive transaction consideration pursuant to the merger agreement was fair, from a financial point of view, to such holders. The full text of the written opinion of J.P. Morgan dated January 7, 2017, which sets forth the assumptions made, matters considered and limits on the review undertaken, is attached hereto as Annex C and is incorporated herein by reference. SCA's stockholders are urged to read the opinion in its entirety. J.P. Morgan's written opinion was provided to the SCA Board (in its capacity as such) in connection with and for the purposes of its evaluation of the proposed transactions and was directed only to the transaction consideration to be paid in the proposed transactions to the holders of shares of SCA common stock entitled to receive transaction consideration pursuant to the merger agreement and did not address any other aspect of the proposed transactions. The issuance of J.P. Morgan's opinion was approved by a fairness committee of J.P. Morgan. The summary of the opinion of J.P. Morgan set forth in this prospectus/offer to exchange is qualified in its entirety by reference to the full text of such opinion. The opinion does not constitute a recommendation to any stockholder of SCA as to whether such stockholder should tender its SCA shares into the offer or how such stockholder should vote with respect to the proposed transactions or any other matter.

In arriving at its opinions, J.P. Morgan, among other things:

reviewed the merger agreement;

reviewed certain publicly available business and financial information concerning SCA and UnitedHealth Group and the industries in which they operate;

compared the proposed financial terms of the proposed transactions with the publicly available financial terms of certain transactions involving companies J.P. Morgan deemed relevant and the consideration paid for such companies;

compared the financial and operating performance of SCA and UnitedHealth Group with publicly available information concerning certain other companies J.P. Morgan deemed relevant and reviewed the current and historical market prices of the SCA shares and UnitedHealth Group common stock and certain publicly traded securities of such other companies;

reviewed certain internal financial analyses and forecasts prepared by the management of SCA relating to its business which are set forth in Table 1 of the section of this prospectus/offer to exchange entitled "Certain Unaudited Prospective Financial Information of SCA" (referred to in this section as the "unaudited prospective

financial information) and certain financial analyses and forecasts derived therefrom by the management of SCA and guidance provided by management of SCA with respect to extrapolations derived therefrom by J.P. Morgan (which extrapolations were reviewed and approved by management of SCA); and

performed such other financial studies and analyses and considered such other information as J.P. Morgan deemed appropriate for the purposes of its opinion.

In addition, J.P. Morgan held discussions with certain members of the management of SCA with respect to certain aspects of the proposed transactions, and the past and current business operations of SCA, the financial condition and future prospects and operations of SCA, the effects of the transactions on the financial condition and future prospects of SCA, and certain other matters J.P. Morgan believed necessary or appropriate to its inquiry.

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In giving its opinion, J.P. Morgan relied upon and assumed the accuracy and completeness of all information that was publicly available or was furnished to or discussed with J.P. Morgan by SCA or otherwise reviewed by or for J.P. Morgan, and J.P. Morgan did not independently verify (and did not assume any obligation to undertake any such independent verification of) any such information or its accuracy or completeness. J.P. Morgan did not conduct and was not provided with any valuation or appraisal of any assets or liabilities, nor did J.P. Morgan evaluate the solvency of SCA or UnitedHealth Group under any state or federal laws relating to bankruptcy, insolvency or similar matters. In relying on the unaudited prospective financial information or on financial analyses and forecasts derived therefrom by the management of SCA and guidance provided by management of SCA with respect to extrapolations derived therefrom by J.P. Morgan (which extrapolations were reviewed and approved by management of SCA), J.P. Morgan assumed that they were reasonably prepared based on assumptions reflecting the best currently available estimates and judgments by management as to the expected future results of operations and financial condition of SCA to which the unaudited prospective financial information or such financial analyses and forecasts derived therefrom by management and guidance provided by management of SCA with respect to extrapolations derived therefrom by J.P. Morgan (which extrapolations were reviewed and approved by management of SCA) relate. J.P. Morgan expressed no view as to the unaudited prospective financial information or the financial analyses and forecasts derived therefrom by the management of SCA and guidance provided by management of SCA with respect to extrapolations derived therefrom by J.P. Morgan (which extrapolations were reviewed and approved by management of SCA) or the assumptions on which they were based. J.P. Morgan also assumed that the proposed transactions and other transactions contemplated by the merger agreement will qualify as a tax-free reorganization for United States federal income tax purposes and will be consummated as described in the merger agreement. J.P. Morgan also assumed that the representations and warranties made by SCA and UnitedHealth Group in the merger agreement and the related agreements were and will be true and correct in all respects material to its analysis. J.P. Morgan is not a legal, regulatory or tax expert and relied on the assessments made by advisors to SCA with respect to such issues. J.P. Morgan further assumed that all material governmental, regulatory or other consents and approvals necessary for the consummation of the proposed transactions will be obtained without any adverse effect on SCA or UnitedHealth Group or on the contemplated benefits of the proposed transactions.

J.P. Morgan's opinion was necessarily based on economic, market and other conditions as in effect on, and the information made available to J.P. Morgan as of the date of its opinion. J.P. Morgan's opinion noted that subsequent developments may affect J.P. Morgan's opinion, and that J.P. Morgan does not have any obligation to update, revise, or reaffirm such opinion. J.P. Morgan's opinion is limited to the fairness, from a financial point of view, of the transaction consideration to be paid in the proposed transactions to the holders of SCA shares entitled to receive transaction consideration pursuant to the merger agreement, and J.P. Morgan has expressed no opinion as to the fairness of any consideration to be paid to the holders of any other class of securities, creditors or other constituencies of SCA or the underlying decision by SCA to engage in the proposed transactions. Furthermore, J.P. Morgan expressed no opinion with respect to the amount or nature of any compensation to any officers, directors, or employees of any party to the proposed transactions, or any class of such persons relative to the transaction consideration to be paid in the proposed transactions to the holders of SCA shares entitled to receive transaction consideration pursuant to the merger agreement or with respect to the fairness of any such compensation. J.P. Morgan expressed no opinion as to the price at which the SCA shares or UnitedHealth Group common stock will trade at any future time.

The terms of the merger agreement, including the transaction consideration, were determined through arm's length negotiations between SCA and UnitedHealth Group, and the decision to enter into the merger agreement was solely that of the SCA Board. J.P. Morgan's opinion and financial analyses were only one of the many factors considered by the SCA Board in its evaluation of the proposed transactions and should not be viewed as determinative of the views of the SCA Board or management with respect to the proposed transactions or the transaction consideration to be paid in the proposed transactions to the holders of SCA shares entitled to receive transaction consideration pursuant to the

merger agreement.

In accordance with customary investment banking practice, J.P. Morgan employed generally accepted valuation methodologies in rendering its oral opinion to the SCA Board on January 6, 2017 and contained in the presentation delivered to the SCA Board on such date in connection with the rendering of such oral opinion. The

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following is a summary of the material financial analyses utilized by J.P. Morgan in connection with providing its opinion. Some of the summaries of the financial analyses include information presented in tabular format. The tables are not intended to stand alone and, in order to more fully understand the financial analyses used by J.P. Morgan, the tables must be read together with the full text of each summary. Considering the data set forth below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of J.P. Morgan's analyses. For purposes of the financial analyses utilized by J.P. Morgan in connection with providing its opinion, EBITDA for SCA was calculated as earnings before interest, taxes, depreciation and amortization before stock-based compensation, excluding income attributable to non-controlling interests.

Public Trading Multiples

Using publicly available information, J.P. Morgan compared selected financial data of SCA with similar data for selected publicly traded companies engaged in businesses which J.P. Morgan judged to be analogous to SCA or aspects thereof based on J.P. Morgan's experience and its familiarity with the industries in which SCA operates. The companies selected by J.P. Morgan were as follows:

Surgery Partners, Inc.

Envision Healthcare Holdings, Inc.

TeamHealth Holdings Inc.

MEDNAX, Inc.

With respect to the selected companies, the information J.P. Morgan presented included the multiple of firm value (calculated as equity value plus net debt and, with respect to SCA, Surgery Partners, Inc. and Envision Healthcare Holdings, Inc., excluding non-controlling interests), referred to in this section as *FV*, to adjusted EBITDA (calculated as earnings before interest, taxes, depreciation and amortization before stock-based compensation, and, with respect to SCA, Surgery Partners, Inc. and Envision Healthcare Holdings, Inc., excluding income attributable to non-controlling interests), referred to in this section as *EBITDA*. Estimated financial data for the selected companies was based on the selected companies' filings with the SEC and publicly available analyst consensus estimates for the calendar year ended 2017 that J.P. Morgan obtained from FactSet Research Systems. Results of this analysis were presented for the selected companies, as indicated in the following table:

Selected Company	FV/EBITDA 2017E Multiple
Surgery Partners, Inc.	9.5x
Envision Healthcare Holdings, Inc.	9.3x*
TeamHealth Holdings Inc.	10.1x**
MEDNAX, Inc.	10.7x

- * Pro forma for the merger between AMSURG Corp. and Envision Healthcare Holdings, Inc. announced on June 17, 2016 and completed on December 1, 2016.
- ** Based on TeamHealth Holdings Inc. s unaffected stock price as of October 28, 2016 prior to the announcement of The Blackstone Group s acquisition of TeamHealth Holdings Inc.

Based on the above analysis and other factors that J.P. Morgan considered appropriate, J.P. Morgan then selected a FV/EBITDA 2017E reference range for SCA of 9.50x to 10.75x. Applying this range to SCA s projected EBITDA for the calendar year ended 2017 included in the unaudited prospective financial information, the analysis indicated an implied equity value per SCA share between \$26.25 and \$33.25 (rounded to the nearest \$0.25), which J.P. Morgan compared to the value of the transaction consideration of \$57.00 per SCA share. J.P. Morgan also derived the FV/EBITDA 2017E multiples for SCA based on publicly available analyst consensus estimates and the unaudited prospective financial information of 14.00x and 13.30x, respectively, and noted that expanding the FV/EBITDA 2017E reference range to 9.50x to 14.00x and applying it to SCA s projected EBITDA for the calendar year ended 2017 included in the unaudited prospective financial information would

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indicate an implied equity value per SCA share between \$26.25 and \$51.00 (rounded to the nearest \$0.25), as compared to the value of the transaction consideration of \$57.00 per SCA share.

Selected Transaction Analysis.

Using publicly available information, J.P. Morgan examined selected transactions with respect to businesses which J.P. Morgan judged to be analogous to SCA's business or aspects thereof based on J.P. Morgan's experience and familiarity with the industries in which SCA operates. The transactions indicated in the following table were selected by J.P. Morgan as relevant in evaluating the proposed transactions. Using publicly available information, J.P. Morgan calculated, for each selected transaction, the multiple of the target company's FV implied in the relevant transaction to the target company's EBITDA for the twelve-month period prior to the announcement date of the applicable transaction. Estimated financial data for the selected transactions was based on the selected companies' filings with the SEC and publicly available analyst consensus estimates that J.P. Morgan obtained from FactSet Research Systems. Results of this analysis were presented for the selected transactions, as indicated in the following table:

Announcement

Date	Acquiror	Target	LTM EBITDA Multiple
October 2016	Blackstone Group LP	TeamHealth Holdings Inc.	12.9x
June 2016	AMSURG Corp.	Envision Healthcare Holdings, Inc.	12.6x*
August 2015	TeamHealth Holdings Inc.	IPC Healthcare, Inc.	22.7x**
May 2014	AMSURG Corp.	Sheridan Healthcare, Inc.	12.2x*
June 2014	Surgery Partners Inc. / H.I.G. Capital, LLC	Symbion Holdings Corp.	10.3x
April 2011	AMSURG Corp.	National Surgical Care, Inc.	8.1x
January 2011	Surgery Partners Inc. / H.I.G. Capital, LLC	NovaMed, Inc.	7.7x*
April 2007	Crestview Partners, L.P.	Symbion Holdings Corp.	12.5x
March 2007	TPG Capital, L.P.	HealthSouth Corporation (Surgery Centers)	10.1x

* EBITDA for Envision Healthcare Holdings, Inc. Sheridan Healthcare and NovaMed, Inc. calculated excluding income attributable to non-controlling interests.

** Transaction included for reference purposes only and not as a component of J.P. Morgan's fairness analysis. Based on the above analysis and other factors that J.P. Morgan considered appropriate, J.P. Morgan then selected a LTM EBITDA multiple reference range for SCA of 8.00x to 13.00x. Applying this range to SCA's EBITDA for calendar year 2016 included in the unaudited prospective financial information, this analysis indicated an implied equity value per SCA share between \$11.50 and \$35.25 (rounded to the nearest \$0.25), which J.P. Morgan compared to the value of the transaction consideration of \$57.00 per SCA share.

Discounted Cash Flow Analysis.

J.P. Morgan conducted a discounted cash flow analysis for the purpose of determining the fully diluted equity value per SCA share. J.P. Morgan calculated the unlevered free cash flow estimates of SCA for calendar years 2017 through

2031 (as set forth in Table 2 of the section of this prospectus/offer to exchange entitled "Certain Unaudited Prospective Financial Information of SCA"), which were discussed with, and approved by, SCA's management for J.P. Morgan's use in connection with its financial analyses. J.P. Morgan also calculated a range of terminal values for SCA at the end of this period by applying terminal value growth rates ranging from 1.50% to 2.00% to the unlevered free cash flow estimates for SCA during the terminal period. The unlevered free cash flow estimates, the cash flows generated by potential tax savings resulting from utilization of the net operating losses of SCA as provided by SCA management and the range of terminal values were then discounted

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by J.P. Morgan to present value as of December 31, 2016 using discount rates ranging from 6.50% to 7.50%, which range was chosen by J.P. Morgan based upon an analysis of the weighted average cost of capital of SCA. The present value of the unlevered free cash flow estimates and the range of terminal values were then adjusted by subtracting projected net debt as of December 31, 2016 and adding the discounted value as of December 31, 2016 of the cash flows generated by potential tax savings resulting from utilization of the net operating losses of SCA. This analysis indicated a range of implied equity values for SCA, which J.P. Morgan divided by the number of outstanding SCA shares, calculated on a fully-diluted basis, to derive a range of implied equity values per SCA share of between \$40.00 and \$70.50 (rounded to the nearest \$0.25) per share, which J.P. Morgan compared to the value of the transaction consideration of \$57.00 per SCA share.

Other Information

Historical Trading Range for SCA. For reference purposes only and not as a component of its fairness analysis, J.P. Morgan reviewed the historical trading prices of the SCA shares during the 52-week period prior to January 5, 2017, the last trading day before delivery of J.P. Morgan's oral opinion on January 6, 2017, noting that the low and high closing prices during such period ranged from \$38.29 per share to \$52.01 per SCA share, as compared to the value of the transaction consideration of \$57.00 per SCA share.

Analyst Price Targets for SCA. For reference purposes only and not as a component of its fairness analysis, J.P. Morgan reviewed certain publicly available equity research analyst share price targets for the SCA shares obtained from FactSet Research Systems, noting that the low and high share price targets ranged from \$37.00 per share to \$58.00 per SCA share, as compared to the value of the transaction consideration of \$57.00 per SCA share.

Miscellaneous

The foregoing summary of certain material financial analyses does not purport to be a complete description of the analyses or data presented by J.P. Morgan. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. J.P. Morgan believes that the foregoing summary and its analyses must be considered as a whole and that selecting portions of the foregoing summary and these analyses, without considering all of its analyses as a whole, could create an incomplete view of the processes underlying the analyses and its opinion. As a result, the ranges of valuations resulting from any particular analysis or combination of analyses described above were merely utilized to create points of reference for analytical purposes and should not be taken to be the view of J.P. Morgan with respect to the actual value of SCA. The order of analyses described does not represent the relative importance or weight given to those analyses by J.P. Morgan. In arriving at its opinion, J.P. Morgan did not attribute any particular weight to any analyses or factors considered by it and did not form an opinion as to whether any individual analysis or factor (positive or negative), considered in isolation, supported or failed to support its opinion. Rather, J.P. Morgan considered the totality of the factors and analyses performed in determining its opinion.

Analyses based upon forecasts of future results are inherently uncertain, as they are subject to numerous factors or events beyond the control of the parties and their advisors. Accordingly, forecasts and analyses used or made by J.P. Morgan are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by those analyses. Moreover, J.P. Morgan's analyses are not and do not purport to be appraisals or otherwise reflective of the prices at which businesses actually could be acquired or sold. None of the selected companies reviewed as described in the above summary is identical to SCA, and certain of these companies may have characteristics that are materially different from those of SCA, and none of the selected transactions reviewed was identical to the proposed transactions. However, the companies selected were chosen because they are publicly traded companies with operations and businesses that, for purposes of J.P. Morgan's analysis, may be considered similar to

those of SCA. The transactions selected were similarly chosen because their participants, size and other factors, for purposes of J.P. Morgan's analysis, may be considered similar to the proposed transactions. The analyses necessarily involve complex considerations and judgments concerning differences in financial and operational characteristics of the companies involved and other factors that could

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affect the companies differently than they would affect SCA and the transactions differently than they would affect the proposed transactions.

As a part of its investment banking business, J.P. Morgan and its affiliates are continually engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, investments for passive and control purposes, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements, and valuations for corporate and other purposes. J.P. Morgan was selected to advise the SCA Board in connection with the proposed transactions on the basis of, among other things, such experience and its qualifications and reputation in connection with such matters and its familiarity with SCA and the industries in which it operates.

For financial advisory services rendered in connection with the transactions (including the delivery of its opinion), SCA has agreed to pay J.P. Morgan a fee of \$14 million, \$2 million of which was payable upon delivery by J.P. Morgan of its opinion, and the remainder of which will become due upon the closing of the proposed transactions. In addition, SCA has agreed to reimburse J.P. Morgan for certain of its reasonable costs and expenses incurred in connection with its services, including certain of the reasonable fees and disbursements of counsel, and will indemnify J.P. Morgan against certain liabilities arising out of J.P. Morgan's engagement. During the two years preceding the date of J.P. Morgan's opinion, J.P. Morgan and its affiliates have had commercial or investment banking relationships with SCA, UnitedHealth Group and TPG Capital, L.P. (together with its affiliates, TPG) for which J.P. Morgan and such affiliates have received customary compensation. With respect to SCA, such services during such period have included acting as joint lead arranger and joint bookrunner with respect to its term loan B and revolving credit facility closed March 2015 and as sole bookrunner and sole lead arranger with respect to the increase of the said term loan B facility closed October 2016, as joint bookrunner with respect to its bond offering closed March 2015, and as joint bookrunner with respect to its equity offering closed March 2015. With respect to UnitedHealth Group, such services during such period have included acting as joint lead arranger and bookrunner with respect to its revolving credit facility closed April 2015 and joint lead arranger and bookrunner with respect to its term loan A facility closed April 2015, as joint bookrunner with respect to its bond offerings closed December 2016 and July 2015, respectively, and as financial advisor on its acquisition of Catamaran Corporation closed July 2015. With respect to TPG, such services during such period have included acting as joint lead arranger and bookrunner with respect to its syndicated credit facilities closed October 2015 and August 2016 respectively. In addition, J.P. Morgan's commercial banking affiliate is an agent bank and a lender under outstanding credit facilities of SCA and UnitedHealth Group, for which J.P. Morgan receives customary compensation or other financial benefits. In addition, J.P. Morgan and its affiliates hold, on a proprietary basis, less than 1% of each of the SCA shares and UnitedHealth Group common stock. During the two years preceding the date of J.P. Morgan's opinion, the aggregate fees received by J.P. Morgan from SCA were approximately \$6 million, the aggregate fees received by J.P. Morgan from UnitedHealth Group were approximately \$49 million and the aggregate fees received by J.P. Morgan from TPG were approximately \$183 million. In the ordinary course of their businesses, J.P. Morgan and its affiliates may actively trade the debt and equity securities or financial instruments (including derivatives, bank loans or other obligations) of SCA or UnitedHealth Group for its own account or for the accounts of customers and, accordingly, J.P. Morgan may at any time hold long or short positions in such securities or other financial instruments.

Certain Unaudited Prospective Financial Information of SCA

SCA does not, as a matter of course, publicly disclose long-term forecasts or internal projections as to future revenues, earnings or other results, due to, among other reasons, the unpredictability of such forecasts or projections and the underlying assumptions and estimates. However, in connection with its evaluation of UnitedHealth Group's acquisition proposal, SCA's management prepared certain unaudited prospective financial information that was presented to the SCA Board on December 17, 2016 (the unaudited prospective financial information). SCA's management provided the unaudited prospective financial information to (i) the SCA Board on December 17, 2016 for purposes of considering

and evaluating UnitedHealth Group's acquisition

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proposal, (ii) UnitedHealth Group on December 20, 2016 in connection with its evaluation of an acquisition of SCA, and (iii) J.P. Morgan in connection with the rendering of J.P. Morgan's fairness opinion to the SCA Board and in performing its related financial analyses, as described above in Opinion of SCA's Financial Advisor. The SCA Board directed J.P. Morgan to use the unaudited prospective financial information in performing its financial analyses in connection with the rendering of its fairness opinion. To give holders of SCA common stock access to certain nonpublic information that was available to the SCA Board, UnitedHealth Group and J.P. Morgan at the time of the evaluation of the offer, the mergers and the other transactions contemplated by the merger agreement, certain of the unaudited prospective financial information is included below.

The unaudited prospective financial information was developed from historical financial statements and a series of independent assumptions and estimates of SCA management related to future trends and did not give effect to any significant changes or expenses as a result of the offer, the mergers or the other transactions contemplated by the merger agreement or any other effects of the offer, the mergers and the other transactions contemplated by the merger agreement. The unaudited prospective financial information have been prepared by SCA management and were not prepared with a view toward public disclosure; and, accordingly, do not necessarily comply with published guidelines of the SEC, the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of financial forecasts, or GAAP. PricewaterhouseCoopers LLP, SCA's independent registered public accounting firm, has not audited, reviewed, compiled or performed any procedures with respect to the unaudited prospective financial information and does not express an opinion or any form of assurance related thereto. The PricewaterhouseCoopers LLP report included in this offering document by reference to SCA's Annual Report on Form 10-K for the year ended December 31, 2016 relates to SCA's historical financial information. It does not extend to the unaudited prospective financial information and should not be read to do so. The inclusion of the unaudited prospective financial information in this prospectus/offer to exchange should not be regarded as an indication that SCA, UnitedHealth Group, J.P. Morgan or any of their respective affiliates, or any other recipient of this information considered, or now considers, such unaudited prospective financial information to be a reliable prediction of future results or any actual future events. None of SCA, UnitedHealth Group, J.P. Morgan, any of their respective affiliates or any other person assumes any responsibility for the validity, reasonableness, accuracy or completeness of the unaudited prospective financial information included below. Except as required by law, none of SCA, UnitedHealth Group, J.P. Morgan or any of their respective affiliates intends to, and each of them disclaims any obligation to, update, revise, or correct the unaudited prospective financial information if they are or become inaccurate (in the long term or the short term).

SCA's future financial results may materially differ from those expressed in the unaudited prospective financial information. While presented with numerical specificity, the unaudited prospective financial information necessarily was based on numerous variables and assumptions that are inherently uncertain and many of which are beyond the control of SCA and difficult to predict, including with respect to industry performance, competitive factors, industry consolidation, general business, economic, regulatory, market and financial conditions, as well as matters specific to SCA's business, which assumptions may not prove to have been, or may no longer be, accurate. SCA cannot ensure that any of the results expressed in the unaudited prospective financial information will be realized or that SCA's future financial results will not materially vary from the unaudited prospective financial information. The unaudited prospective financial information speaks only as of the date it was prepared as it does not take into account any circumstances or events occurring after the date they were prepared, including the January 9, 2017 announcement of the merger agreement or pendency of the transaction with UnitedHealth Group, and has not been updated since its date of preparation. In addition, the unaudited prospective financial information does not take into account the effect of any failure of the offer, the mergers and the other transactions contemplated by the merger agreement to occur and should not be viewed as accurate or continuing in that context. Because the unaudited prospective financial information covers multiple years, by their nature, it becomes subject to greater uncertainty with each successive year.

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In light of the foregoing factors and the uncertainties inherent in the unaudited prospective financial information, SCA stockholders are cautioned not to place undue reliance on the unaudited prospective financial information. They should not be utilized as public guidance and will not be provided in the ordinary course of our business in the future. The unaudited prospective financial information should be evaluated in conjunction with SCA's historical financial statements and other information regarding SCA and its public filings with the SEC.

The unaudited prospective financial information is summarized in Table 1 below:

Table 1 Unaudited Prospective Financial Information

Fiscal Year Ended 12/31	2016E	2017E	2018E	2019E	2020E	2021E
Net Revenue (in millions)	\$ 1,200	\$ 1,408	\$ 1,677	\$ 1,940	\$ 2,225	\$ 2,573
EBITDA (in millions) (1)	\$ 201	\$ 235	\$ 282	\$ 332	\$ 386	\$ 447
Adjusted Net Income (in millions) (2)	\$ 76	\$ 94	\$ 121	\$ 150	\$ 181	\$ 220
Adjusted EPS (2)	\$ 1.85	\$ 2.26	\$ 2.86	\$ 3.50	\$ 4.19	\$ 4.99

- (1) As used in this section of the prospectus/offer to exchange, EBITDA represents earnings before interest, taxes, depreciation and amortization before stock-based compensation, less income attributable to non-controlling interests. EBITDA is a non-GAAP financial measure.
- (2) As used in this section of the prospectus/offer to exchange, Adjusted Net Income and Adjusted EPS include certain non-GAAP adjustments to remove the effects of stock-based compensation, amortization, provisions for income taxes and, in the case of 2016E Adjusted Net Income and 2016E Adjusted EPS, impairment of assets and other non-recurring losses. Adjusted EPS is based on a weighted average of outstanding shares of SCA common stock. Adjusted Net Income and Adjusted EPS are each non-GAAP financial measures.

In connection with the rendering of its fairness opinion to the SCA Board and in performing its related financial analyses, J.P. Morgan calculated unlevered free cash flow estimates of SCA for calendar years 2017 through 2031 (such estimates of unlevered free cash flow, the Unlevered Free Cash Flow Estimates) based on the unaudited prospective financial information for calendar years 2017 through 2021 and certain extrapolations derived therefrom by J.P. Morgan, on the basis of and in accordance with guidance provided by SCA management, which extrapolations were reviewed and approved by SCA management, for calendar years 2022 through 2031. In deriving such extrapolations from the unaudited prospective financial information for calendar years 2017 through 2021, J.P. Morgan, on the basis of and in accordance with guidance provided by SCA management, utilized the following assumptions provided by SCA management: (i) EBITDA generated by SCA's existing facilities from 2018 to 2021 was expected to increase by 3.00% per annum, with the increase in EBITDA declining over the course of the forecast period to 1.50% by 2030; (ii) SCA would establish 9 to 12 de novo facilities per annum for 2017 to 2021 up to a maximum 16 de novo facilities per annum in 2026 and thereafter the number of de novo facilities established by SCA each year would decline to \$0 in 2031; and (iii) cash spent to acquire new facilities would increase each year over the forecast period up to a maximum of \$276 million in 2024 and would thereafter decline each year over the forecast period to \$0 in 2031. The Unlevered Free Cash Flow Estimates were discussed with, and approved by, SCA's management for J.P. Morgan's use in connection with its financial analyses.

The EBITDA estimates and Unlevered Free Cash Flow Estimates for calendar years 2017 through 2031 and estimates of EBITDA for 2022 through 2031 are summarized in Table 2 below:

Table 2 EBITDA Estimates and Unlevered Free Cash Flow Estimates

Calendar Years 2017E through 2021E

Fiscal Year	2017E	2018E	2019E	2020E	2021E
Unlevered Free Cash Flow (in millions) (1)	(\$ 52)	(\$ 69)	(\$ 51)	(\$ 26)	(\$ 50)

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Fiscal Year	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E
EBITDA(2)	\$ 504	\$ 568	\$ 633	\$ 698	\$ 754	\$ 807	\$ 852	\$ 888	\$ 914	\$ 933
Unlevered Free Cash Flow (in millions)(1)	(\$82)	(\$71)	(\$57)	\$ 14	\$ 76	\$ 154	\$ 229	\$ 297	\$ 350	\$ 397

- (1) As used in this section of the prospectus/offer to exchange, the Unlevered Free Cash Flow Estimates for a given period are calculated as follows: EBITDA minus (i) taxes, (ii) stock based compensation and other expenses, (iii) capital expenditures, and (iv) expenditures on acquisitions and de novo facilities, and plus income attributable to noncontrolling interests and equity (in each case, net of distributions), after giving effect to the impact of changes in net working capital (including impact from allowance for doubtful accounts and deferred taxes).
- (2) As used in this section of the prospectus/offer to exchange, EBITDA represents earnings before interest, taxes, depreciation and amortization before stock-based compensation, less income attributable to non-controlling interests. EBITDA is a non-GAAP financial measure.

Ownership of UnitedHealth Group After the Offer and the First Merger

It is estimated that former stockholders of SCA will own in the aggregate between approximately 0.8%, in the case of the minimum applicable stock consideration, and 1.3%, in the case of the default stock consideration, of the outstanding shares of UnitedHealth Group common stock immediately following consummation of the offer and the mergers, assuming that:

the trading price for the UnitedHealth Group common stock equals \$160.50 (based upon a hypothetical closing date of February 15, 2017, reflecting the volume-weighted average of the closing prices for the five business days ending on and including the third business day prior to such hypothetical February 15, 2017 closing date);

UnitedHealth Group acquires through the offer and the first merger 100% of the outstanding shares of common stock of SCA;

in the offer and the mergers, UnitedHealth Group issues approximately 7,697,719 shares of UnitedHealth Group common stock, in the case of the minimum applicable stock consideration, or 12,074,853 shares of UnitedHealth Group common stock, in the case of the default stock consideration; and

immediately following completion of the mergers, there are approximately 959,689,048 shares of UnitedHealth Group common stock outstanding, in the case of the minimum applicable stock consideration, or there are approximately 964,066,182 shares of UnitedHealth Group common stock outstanding, in the

case of the default stock consideration (calculated by adding 951,991,329, the number of shares of UnitedHealth Group common stock outstanding as of February 15, 2017, plus approximately 7,697,719 or 12,074,853, the number of shares of UnitedHealth Group common stock estimated to be issued as part of the transaction consideration in the cases of minimum applicable stock consideration or the default stock consideration, respectively).

Appraisal Rights

No appraisal rights are available to SCA stockholders in connection with the offer. However, if the first merger is consummated, the holders of record of shares of SCA common stock immediately prior to the effective time of the first merger who (1) did not tender their shares of SCA common stock in the offer; (2) demand appraisal of their shares of SCA common stock in accordance with Section 262 of the DGCL and otherwise follow the procedures set forth in Section 262 of the DGCL; and (3) do not thereafter withdraw their demand for appraisal of such shares or otherwise lose their appraisal rights, in each case in accordance with the DGCL, will be entitled to have their shares appraised by the Delaware Court of Chancery and receive in lieu of the

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transaction consideration payment of the fair value of such shares, determined as of the effective time of the first merger exclusive of any element of value arising from the accomplishment or expectation of the transactions, together with a fair rate of interest, as determined by such court.

The fair value of any shares of SCA common stock could be based upon considerations other than, or in addition to, the price paid in the offer and the first merger and the market value of such shares. SCA stockholders should recognize that the value so determined could be higher or lower than, or the same as, the transaction consideration. Moreover, UnitedHealth Group and SCA may argue in an appraisal proceeding that, for purposes of such proceeding, the fair value of such shares of SCA common stock is less than such amount.

Under Section 262 of the DGCL, if a merger is approved under Section 251(h) of the DGCL, either a constituent corporation before the effective date of the merger, or the surviving corporation within 10 days thereafter, shall notify each of the holders of any class or series of stock of such constituent corporation who is entitled to appraisal rights of the approval of the merger or consolidation and that appraisal rights are available for any or all shares of such class or series of stock of such constituent corporation, and must include in such notice a copy of Section 262 of the DGCL. **The Schedule 14D-9 that is being mailed to you together with this document constitutes the formal notice of appraisal rights under Section 262 of the DGCL.**

As described more fully in the Schedule 14D-9, if a SCA stockholder elects to exercise appraisal rights under Section 262 of the DGCL, such stockholder must do all of the following, among other things:

by the later of the consummation of the offer and 20 days after the mailing of the Schedule 14D-9, deliver to SCA a written demand for appraisal of shares of SCA common stock held by the stockholder, which demand must reasonably inform SCA of the identity of the stockholder and that the stockholder is demanding appraisal;

not tender such holder's SCA shares in the offer; and

continuously hold of record the shares from the date on which the written demand for appraisal is made through the effective time of the first merger.

This does not purport to be a complete statement of the procedures to be followed by SCA stockholders desiring to exercise any appraisal rights and is qualified in its entirety by reference to Section 262 of the DGCL. The proper exercise of appraisal rights requires strict and timely adherence to the applicable provisions of Delaware law. A copy of Section 262 of the DGCL will be included as Annex B to the Schedule 14D-9.

Plans for SCA

In connection with the offer and the mergers, UnitedHealth Group has reviewed and will continue to review various possible business strategies that it might consider in the event that UnitedHealth Group acquires control of SCA, whether pursuant to the offer and/or the first merger or otherwise. Following a review of additional information regarding SCA, these changes could include, among other things, changes in SCA's business, operations, personnel, employee benefit plans, corporate structure, capitalization and management. See also The Transactions UnitedHealth Group's Reasons for the Transactions.

Delisting and Termination of Registration

Following consummation of the offer and the first merger, shares of SCA common stock will no longer be eligible for inclusion on Nasdaq and will be withdrawn from listing. Assuming that SCA qualifies for termination of registration under the Securities Exchange Act of 1934, as amended (the Exchange Act), after the offer and the first merger are consummated, UnitedHealth Group and SCA have agreed to cooperate to seek to terminate the registration of shares of SCA common stock under the Exchange Act.

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Board of Directors, Management and Organizational Documents

Upon consummation of the first merger, the directors of the Offeror immediately prior to the effective time of the first merger will become the initial directors of the surviving corporation, and the officers of the Offeror immediately prior to the effective time of the first merger will continue as the officers of the surviving corporation, in each case until their successors have been duly elected and qualified or until their earlier death, resignation or removal. At the effective time of the first merger, the certificate of incorporation and bylaws of SCA will become the certificate of incorporation and bylaws of the surviving corporation.

Upon consummation of the second merger, subject to applicable law, the manager of Merger Sub immediately prior to the effective time of the second merger will become the manager of the surviving company, and, except as otherwise determined by UnitedHealth Group prior to the effective time of the second merger, the officers of the corporation surviving the first merger immediately prior to the effective time of the second merger will be the officers of the company surviving the second merger. At the effective time of the second merger, the certificate of formation and limited liability company agreement of Merger Sub will become the certificate of formation and limited liability company agreement of the surviving company. From and after the effective time of the first merger until the sixth anniversary thereof, the provisions providing rights to indemnification, exculpation from liabilities for acts or omissions occurring at or prior to the effective time of the first merger and advancement of expenses currently included in SCA's or any of its subsidiaries organizational documents or any existing indemnification agreements may not be amended, repealed or modified in any manner that would adversely affect the rights of such indemnified parties.

After UnitedHealth Group's review of SCA and its corporate structure, management and personnel, UnitedHealth Group will determine what additional changes, if any, are desirable.

Regulatory Approvals

UnitedHealth Group is not aware of any governmental license or regulatory permit that appears to be material to SCA's business that might be adversely affected by the Offeror's acquisition of SCA shares pursuant to the offer or the first merger or, except as described below, or of any approval or other action by any government or governmental administrative or regulatory authority or agency, domestic or foreign, that would be required for the Offeror's acquisition or ownership of SCA shares pursuant to the offer or the first merger. Should any of these approvals or other actions be required, UnitedHealth Group and the Offeror currently contemplate that these approvals or other actions will be sought. There can be no assurance that (a) any of these approvals or other actions, if needed, will be obtained (with or without substantial conditions), (b) if these approvals were not obtained or these other actions were not taken adverse consequences would not result to SCA's business or (c) certain parts of SCA's or UnitedHealth Group's businesses, or those of any of their respective subsidiaries, would not have to be disposed of or held separate.

UnitedHealth Group and SCA agreed to use their respective reasonable best efforts to take all actions necessary to obtain as soon as practicable any consent, waiver, authorization, order or approval, or any exemption by, any third party, including any governmental entity (including furnishing all information and documentary material required under the HSR Act) required to be obtained or made by UnitedHealth Group, the Offeror, the Purchaser, SCA or any of their respective subsidiaries in connection with the offer or the mergers.

It is a condition to completion of the transactions that the waiting period under the HSR Act has expired or been terminated. Accordingly, and in accordance with their obligations under the merger agreement, UnitedHealth Group filed a Notification and Report Form with respect to the offer and the mergers with the Antitrust Division of the U.S. Department of Justice (the Antitrust Division) and the Federal Trade Commission (FTC) on January 13, 2017. SCA

also filed a Notification and Report Form with respect to the offer and the mergers with the Antitrust Division and the FTC on January 13, 2017.

Under the HSR Act, the purchase of SCA common stock in the offer may not be completed until the expiration of a thirty (30) calendar day waiting period, which began when UnitedHealth Group filed a Premerger

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Notification and Report Form under the HSR Act with the FTC and the Antitrust Division on January 13, 2017, unless the FTC and Antitrust Division grant early termination of the waiting period, UnitedHealth Group receives a request for additional information or documentary material prior to that time, or UnitedHealth Group voluntarily elects to withdraw and refile its Notification and Report Form to provide the Antitrust Division and the FTC an additional thirty (30) calendar day waiting period to complete their review. If the thirty (30) calendar day waiting period expires on a federal holiday or weekend, the waiting period is automatically extended until 11:59 p.m. the next business day. The required waiting period under the HSR Act expired at 11:59 p.m., New York City time, on February 13, 2017. Accordingly, the condition to the offer relating to the expiration or termination of the waiting period under the HSR Act has been satisfied.

At any time before or after consummation of the transactions, notwithstanding the expiration of the waiting period under the HSR Act, the FTC or the Antitrust Division could take such action under the antitrust laws as it deems necessary under the applicable statutes, including seeking to enjoin the completion of the transactions, seeking divestiture of substantial assets of the parties or requiring the parties to license, or hold separate, assets or terminate existing relationships and contractual rights. At any time before or after the completion of the transactions, and notwithstanding any termination or expiration of the waiting period under the HSR Act, any state or other governmental entity could take such action under the antitrust laws as it deems necessary. Such action could include seeking to enjoin the completion of the transactions or seeking divestiture of substantial assets of the parties, or requiring the parties to license, or hold separate, assets or terminate existing relationships and contractual rights. Private parties may also seek to take legal action under the antitrust laws under certain circumstances. There can be no assurance that a challenge to the transactions on antitrust grounds will not be made, or if such a challenge is made, what the result will be.

Interests of Certain Persons in the Transactions

Certain of SCA's executive officers and directors may have financial interests in the transactions that may be different from, or in addition to, the interests of SCA's stockholders generally. The SCA Board was aware of these potentially differing interests and considered them, among other matters, in evaluating and negotiating the merger agreement and in reaching its decision to approve the merger agreement and the transactions contemplated therein.

As part of SCA's regular annual equity grant practices, SCA's executive officers and directors will receive their ordinary course grants in the first quarter of 2017, substantially on the same terms and conditions as applied to their awards in 2016, including with respect to additional vesting in the event of a termination related to a change in control. As a result of the fact that the SCA RSUs granted to certain of SCA's directors are expected to vest as a result of the transaction, the value of SCA's directors' grants are expected to be reduced in 2017. As of the date hereof, these awards have not been granted to SCA's executive officers and directors, and these award amounts are not reflected in the disclosure herein.

Treatment of Equity and Equity-Based Awards

Certain SCA directors and executive officers hold one or more of the following equity-based awards: SCA options to purchase shares of SCA common stock (SCA stock options), restricted stock units that vest based solely on the holder's continued service with SCA or one of its subsidiaries (SCA RSUs), and restricted shares that are subject to performance-based vesting requirements (SCA PSAs), which equity-based awards will be treated as follows in connection with the transactions.

SCA Stock Options

At the effective time of the first merger, by virtue of the first merger, each outstanding SCA stock option, will, without any further action on the part of any holder thereof, be converted into an option to purchase that number of shares of UnitedHealth Group common stock (rounded down to the nearest whole number) equal to the product of (a) the number of shares of SCA common stock subject to such SCA stock option and (b) \$57.00

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divided by the volume weighted average of the closing sale prices per share of UnitedHealth Group common stock on the NYSE, as reported in the New York City edition of *The Wall Street Journal* on each of the five full consecutive trading days ending on and including the third business day prior to the final expiration date of the offer (the equity conversion ratio) at an exercise price per share (rounded up to the nearest whole cent) equal to the quotient obtained by dividing (1) the exercise price per share for such option immediately prior to the effective time of the first merger, by (2) the equity conversion ratio. UnitedHealth Group will convert SCA stock options into converted UnitedHealth Group options in such a manner as to ensure that the converted UnitedHealth Group options are not subject to Section 409A of the Code as a result of the assumption and conversion. The converted UnitedHealth Group options will have the same vesting schedule, exercisability terms and other terms and conditions as the corresponding SCA stock options, provided that the period following a change in control during which an individual s converted UnitedHealth Group options become fully vested in the event of certain terminations of employment shall be extended from two (2) years to four (4) years, and all references to the Company in SCA s equity incentive plan and award agreements will be references to UnitedHealth Group.

SCA RSUs

At the effective time of the first merger, by virtue of the first merger, the SCA RSUs outstanding immediately prior to the effective time of the first merger will be converted into restricted stock units of UnitedHealth Group common stock (converted RSUs) equal to the product of (A) the number of shares of SCA common stock subject to such SCA RSUs and (b) the equity conversion ratio, rounded down to the nearest whole number. Any converted RSUs so issued will be subject to the same terms and conditions as were applicable under such SCA RSUs, provided that the period following a change in control during which an individual s converted RSUs become fully vested in the event of certain terminations of employment shall be extended from two (2) years to four (4) years, and all references to the Company in SCA s equity incentive plan and award agreements will be references to UnitedHealth Group.

Notwithstanding the above, if an SCA RSU is subject to an agreement with an individual holder in effect as of January 7, 2017 that provides that such SCA RSU shall be settled in connection with a change of control involving SCA (without the required occurrence of termination or any other event), such SCA RSU shall be settled in shares of SCA common stock immediately prior to the occurrence of the effective time of the first merger and the holder shall be treated as a shareholder and will receive the transaction consideration in respect thereof.

Fully vested SCA RSUs held by Messrs. Hayek, Geiser and Sachs, Ms. Skeete Tatum and Dr. Mansukani will settle in shares of SCA common stock as a result of the transactions described herein, pursuant to the terms of such awards, and Messrs. Hayek, Geiser and Sachs, Ms. Skeete Tatum and Dr. Mansukani will receive the transaction consideration with a pre-tax value of \$3,892,644, \$418,950, \$264,366, \$59,223, \$188,898 and \$418,950 respectively in exchange for such shares of SCA common stock at the effective time of the first merger, upon the same terms and conditions as the other stockholders of SCA.

In addition, in connection with the transactions described herein, the directors of SCA will cease to be directors of SCA and as a result, any outstanding and unvested SCA RSUs held by them will become vested and settled. Messrs. Geiser, Goulet, Hessler and Sachs, Ms. Skeete Tatum and Dr. Mansukani will receive the transaction consideration with a pre-tax value of \$180,120, \$113,601, \$180,120, \$183,597, \$180,120 and \$180,120, respectively, in respect of those shares of SCA common stock. Any SCA RSUs to be granted to the directors of SCA in 2017 prior to, and that remain outstanding and unvested at the time of, the consummation of the transactions contemplated herein will also become vested and settled in connection with the transactions described herein, as noted above.

SCA Performance Share Awards

At the effective time of the first merger, by virtue of the first merger, the SCA PSAs outstanding immediately prior to the effective time of the first merger shall be assumed and converted into that number of

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UnitedHealth Group performance share awards, rounded down to the nearest whole share (converted PSAs) equal to the product of (x) the number of shares of SCA common stock subject to such SCA PSAs, with such number determined as of the closing date of the first merger and (y) the equity conversion ratio. Other than the extension from two (2) years to four (4) years of the period following a change in control during which an individual s converted PSA becomes fully vested in the event of certain terminations of employment, each converted PSA shall continue to be governed by the same terms and conditions as were applicable to the applicable SCA PSA immediately prior to conversion, including the satisfaction of the performance criteria set forth in the SCA PSA, provided that all references to the Company in SCA s equity incentive plan and award agreements will be references to UnitedHealth Group.

SCA RSUs to Be Settled in Exchange for a Payment

The following table sets forth SCA RSU information related to the payments expected to be made to certain directors and executive officers of SCA in exchange for settlement of certain SCA RSUs, as described above. The amounts listed below are estimates based on (i) an assumed closing date of February 15, 2017, (ii) equity award holdings as of such date and (iii) the per share transaction consideration payable for each share underlying each vested SCA RSU (calculated based on an assumed price per share of UnitedHealth Group common stock of \$160.50, based upon a hypothetical closing date of February 15, 2017, reflecting the volume-weighted average of the closing prices for the five business days ending on and including the third business day prior to such hypothetical February 15, 2017 closing date.

Consideration for SCA Shares Received by Executive Officer or Director in respect of the Settlement of Certain SCA RSUs Default Stock Consideration (1)

Name of Executive Officer or Director	Number of SCA RSUs to be Settled in SCA Shares	Number of Shares of UnitedHealth Group Common Stock Received for SCA Shares in respect of Settling SCA RSUs	Cash Consideration for SCA Shares in respect of Settling SCA RSUs (\$)(2)	Total Value Received for SCA Shares in respect of Settling SCA RSUs (\$)(3)
Andrew P. Hayek	68,292	19,402	\$ 778,623	\$ 3,892,644
Thomas C. Geiser	10,510	2,986	\$ 119,817	\$ 599,070
Kenneth R. Goulet	1,993	566	\$ 22,758	\$ 113,601
Frederick A. Hessler	7,798	2,215	\$ 88,978.50	\$ 444,486
Sharad Mansukani	10,510	2,986	\$ 119,817	\$ 599,070
Jeffrey K. Rhodes				
Michael A. Sachs	4,260	1,210	\$ 48,615	\$ 242,820
Todd B. Sisitsky				
Lisa Skeete Tatum	6,474	1,839	\$ 73,858.50	\$ 369,018
Joseph T. Clark				
Tom W.F. De Weerd				
Michael A. Rucker				
Richard L. Sharff, Jr.				

- (1) The table sets forth the approximate number of shares of UnitedHealth Group common stock and the value of the pre-tax cash payments, if any, that each director and executive officer of SCA would receive in exchange for his or her SCA shares received in respect of the settlement of certain SCA RSUs, as described above, in the offer if they were to tender such SCA shares, assuming UnitedHealth Group does not elect to decrease the stock consideration pursuant to the merger agreement.
- (2) Includes cash for fractional shares of UnitedHealth Group common stock, calculated based on an assumed UnitedHealth Group trading price of \$160.50 (which is the volume weighted average of the closing sale prices per share of UnitedHealth Group common stock on the New York Stock Exchange on each of the five

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full consecutive trading days ending on and including the third business day prior to the hypothetical closing date of February 15, 2017).

- (3) Includes the aggregate value of the UnitedHealth Group common stock to be exchanged for SCA shares received in respect of the settlement of certain SCA RSUs, as described above.

SCA Stock Options, SCA RSUs and SCA PSAs to Be Converted or Assumed in the First Merger

For purposes of this Section, it is assumed that each executive officer's employment with SCA will continue after the first merger and that, accordingly, the executive's equity awards that are outstanding and unvested at the effective time of the first merger will be assumed and converted into UnitedHealth Group equity awards as described above. The following table sets forth SCA stock option, SCA RSU and SCA PSA ownership information with regard to equity awards held by directors and executive officers that are not expected to be settled and paid out at the effective time of the first merger. The amounts listed below are estimates based on (i) an assumed closing date of February 15, 2017, and (ii) equity award holdings as of such date. However, the actual number of SCA stock options, SCA RSUs or SCA PSAs to be converted into converted UnitedHealth Group options, converted RSUs and converted PSAs, respectively, will depend on the number of outstanding SCA stock options, SCA RSUs and SCA PSAs held by such individuals that remain outstanding on the actual closing date of the first merger. As described above, the outstanding SCA stock options, SCA RSUs and SCA PSAs will be converted at the effective time of the first merger into converted UnitedHealth Group options, converted RSUs and converted PSAs, respectively, based on the formulas described above. The table below reflects the SCA shares subject to such awards as of February 15, 2017 as well as the converted UnitedHealth Group awards (with SCA PSAs presented based on the target number of SCA shares subject to the award).

Name of Executive Officer or Director	Number of Shares of UnitedHealth Group Common Stock Subject to UnitedHealth Group Stock			Number of Shares of UnitedHealth Group Common Stock Subject to UnitedHealth Group		
	Number of SCA Shares Subject to SCA Stock Options (#)	Options Received for SCA Stock Options (#)(1)	Total Value of SCA Stock Options (\$)	Number of SCA Shares Subject to SCA RSUs and PSAs (#)(3)	RSUs Received for SCA RSUs and PSAs (#)(1)(2)	Total Value of SCA RSUs and PSAs (\$)
Andrew P. Hayek	572,724	203,397	\$ 20,930,236.53	216,689	76,954	\$ 12,351,273
Thomas C. Geiser	20,661	7,337	\$ 937,559.70	10,510		\$ 599,070
Kenneth R. Goulet				1,993		\$ 113,601
Frederick A. Hessler				7,798		\$ 444,486
Sharad Mansukani	9,921	3,523	\$ 445,452.90	10,510		\$ 599,070
Jeffrey K. Rhodes						
Michael A. Sachs				4,260		\$ 242,820
Todd B. Sisitsky						
Lisa Skeete Tatum				6,474		\$ 369,018
Joseph T. Clark	148,129	52,606	\$ 5,026,183.45	43,303	15,378	\$ 2,468,271

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Tom W.F. De Weerd	13,792	4,898	\$ 217,224	30,083	10,683	\$ 1,714,731
Michael A. Rucker	301,107	106,935	\$ 11,490,507.51	53,570	19,024	\$ 3,053,490
Richard L. Sharff, Jr.	99,377	35,292	\$ 3,324,795.79	30,312	10,765	\$ 1,727,784

- (1) These awards are being assumed as a result of the contemplated transaction and will remain outstanding, on their original terms (including with respect to vesting and forfeiture), except that the shares underlying the awards will be shares of UnitedHealth Group common stock, adjusted by the equity conversion ratio, and the double-trigger protection period has been extended from 2 years to 4 years.
- (2) As described above, outstanding SCA RSUs held by the SCA directors will vest and be settled in SCA shares as a result of the transaction, immediately prior to the effective time of the first merger. As a result,

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these awards will not be assumed, and the directors will receive the transaction consideration in respect of those SCA shares.

- (3) The SCA PSAs are reported based on the target number of performance shares subject to the award. The award will be settled with respect to a range between 0% and 120% of the target number of performance shares granted based on a determination of SCA's attainment of its Adjusted EBITDA-NCI target in 2018 and system-wide operating revenues target (as defined in the award agreement) in 2018.

Treatment of Teammate Stock Purchase Plan

Following the date of the merger agreement, SCA will take all actions necessary to ensure that no offering period under the SCA Teammate Stock Purchase Plan (the "TSPP") will be authorized or commenced on or after the date of the merger agreement, except for the six-month offering period under the TSPP that commenced on January 1, 2017. If the first merger occurs prior to the end of the offering period in effect on the date of the merger agreement, each individual participating in such offering period shall receive notice of the transactions contemplated by the merger agreement and shall have an opportunity to terminate his or her outstanding purchase rights under the TSPP, and such offering period shall end prior to the date of the first merger. Each TSPP participant's accumulated contributions under the TSPP shall be used to purchase shares of SCA common stock in accordance with the TSPP as of the end of the offering period, and any remaining accumulated but unused payroll deductions shall be distributed to the relevant participants without interest as promptly as practicable. SCA will terminate the TSPP and all rights under it prior to the date of the first merger.

Agreements or Arrangements with Executive Officers and Directors of SCA

Certain of SCA's executive officers and directors may have financial interests in the transactions that may be different from, or in addition to, the interests of SCA's stockholders generally. SCA's board of directors was aware of these potentially differing interests and considered them, among other matters, in evaluating and negotiating the merger agreement and in reaching its decision to approve the merger agreement and the transactions.

Consideration for Shares Tendered Pursuant to the Offer

If the directors and executive officers of SCA who own shares tender their shares for exchange pursuant to the offer, or if their shares are converted into the right to receive the transaction consideration pursuant to the merger agreement, they will receive the same transaction consideration on the same terms and conditions as the other stockholders of SCA. As of February 15, 2017, the directors and executive officers of SCA and their affiliates beneficially owned in the aggregate 227,556 shares, which for purposes of this subsection excludes shares issuable upon exercise or settlement of outstanding SCA stock options and shares issuable upon settlement of outstanding SCA RSUs and SCA PSAs. For a description of the treatment of SCA stock options, SCA RSUs and SCA PSAs held by the directors and executive officers of SCA, see above under the heading "Treatment of Equity and Equity-Based Awards."

The following table sets forth, as of February 15, 2017, the consideration that each executive officer and director and his or her affiliates would be entitled to receive in respect of outstanding shares beneficially owned by him, her or it (excluding shares underlying SCA stock options, SCA RSUs and SCA PSAs), assuming such individual or his or her affiliate were to tender all of his, her or its outstanding shares pursuant to the offer and those shares were accepted for exchange and exchanged by the Offeror, and/or all such shares were converted into the right to receive the transaction consideration by virtue of the first merger. The information in the table is based on a price per share of UnitedHealth Group common stock of \$160.50, based upon a hypothetical closing date of February 15, 2017, reflecting the volume-weighted average of the closing prices for the five business days ending on and including the third business day prior to such hypothetical February 15, 2017 closing date. The amounts set forth in the table below are as calculated before any taxes that may be due on such amounts have been paid.

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Consideration for SCA Shares Received by Executive Officer or Director Default Stock Consideration (1)

Name of Executive Officer or Director	Number of Shares Owned	Number of Shares of UnitedHealth Group Common Stock Received for Shares Owned	Cash Consideration for Shares Owned (\$)(2)	Total Value Received for Shares Owned (\$)(3)
Andrew P. Hayek	67,656	19,221	\$ 771,421.50	\$ 3,856,392
Thomas C. Geiser	69,783	19,826	\$ 795,558	\$ 3,977,631
Kenneth R. Goulet				
Frederick A. Hessler	15,000	4,261	\$ 171,109.50	\$ 855,000
Sharad Mansukani				
Jeffrey K. Rhodes				
Michael A. Sachs				
Todd B. Sisitsky				
Lisa Skeete Tatum				
Joseph T. Clark	15,880	4,511	\$ 181,144.50	\$ 905,160
Tom W.F. De Weerd	5,772	1,639	\$ 65,944.50	\$ 329,004
Michael A. Rucker	41,265	11,723	\$ 470,563.50	\$ 2,352,105
Richard L. Sharff, Jr.	9,076	2,578	\$ 103,563	\$ 517,332

- (1) The table sets forth the approximate number of shares of UnitedHealth Group common stock and the value of the pre-tax cash payments, if any, that each director and executive officer of SCA would receive in exchange for his or her SCA shares in the offer if they were to tender their SCA shares, assuming UnitedHealth Group does not elect to decrease the applicable stock consideration pursuant to the merger agreement.
- (2) Includes cash for fractional shares of UnitedHealth Group common stock, calculated based on an assumed UnitedHealth Group trading price of \$160.50 (which is the volume weighted average of the closing sale prices per share of UnitedHealth Group common stock on the New York Stock Exchange on each of the five full consecutive trading days ending on and including the third business day prior to the hypothetical closing date of February 15, 2017).
- (3) Includes the aggregate value of the UnitedHealth Group common stock to be exchanged for SCA shares owned.
- Effect of the Mergers on Employee Benefits*

The merger agreement provides that for a period of twelve (12) months following the effective time of the first merger, and subject to the applicable law of each jurisdiction where employees are located, UnitedHealth Group will provide certain employees of SCA or its subsidiaries (the SCA employees) with (x) a base salary or base wage, bonus and incentive opportunities (excluding any equity based compensation awards, the TSPP, and any retention bonuses or special one-time payments) no less favorable than those provided to such SCA employees immediately prior to the effective time of the first merger, and (y) employee benefits including retirement and welfare benefits (excluding equity based compensation awards and the TSPP) that are, in the aggregate, no less favorable than those provided to the SCA employees immediately prior to the effective time of the first merger or, in UnitedHealth Group's discretion, are substantially comparable to those made available to similarly situated employees of UnitedHealth Group and its subsidiaries.

Following the effective time of the first merger, UnitedHealth Group will, or will cause the surviving company to, cause any employee benefit plans sponsored or maintained by UnitedHealth Group or the surviving company or any of their subsidiaries in which SCA employees are eligible to participate following the closing date to waive any pre-existing condition limitations, actively-at-work requirements and eligibility waiting periods under any welfare plans of UnitedHealth Group or its subsidiaries (subject to certain exceptions in the case of

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supplemental life insurance) and give SCA employees credit for their years of service with SCA and its subsidiaries before the effective time of the first merger for purposes of determining eligibility to participate, level of benefits, benefit accrual and vesting under any employee benefit plan, policy or arrangement maintained by UnitedHealth Group or any of its subsidiaries following the effective time and in which the employees of SCA participate (except for any employee benefit plans that are frozen or grandfathered, for purposes of qualifying for any subsidized early retirement benefits, for benefit accrual under any defined benefit pension plans, or to the extent necessary to avoid duplication of benefits). In addition, UnitedHealth Group and its subsidiaries will assume and honor in accordance with their terms, including any right to amend or terminate, all existing employment and severance agreements with any officer, director, or employee of SCA and its subsidiaries (excluding agreements with any officers, directors or employees that primarily work at a (i) facility entity or (ii) a provider of health care services). The merger agreement provides that UnitedHealth Group may request that SCA, not less than 10 days prior to the anticipated effective time of the first merger, terminate its 401(k) plan, effective as of the day prior to the effective time of the first merger.

Other Arrangements with Executive Officers

Employment Agreements

SCA is a party to employment agreements (the Employment Agreements) with each of its current named executive officers, consisting of:

Andrew Hayek, Chairman, President and Chief Executive Officer of SCA;

Tom De Weerd, Executive Vice President and Chief Financial Officer of SCA;

Michael Rucker, Executive Vice President and Chief Operating Officer of SCA;

Joseph Clark, Executive Vice President and Chief Development Officer of SCA; and

Richard Sharff, Jr., Executive Vice President, General Counsel and Corporate Secretary of SCA.

Under the Employment Agreements, in the event that SCA terminates the respective executive officer's employment without cause or delivers a notice of non-renewal, or in the event that the executive terminates his or her employment for good reason, in each case within 3 months before or 24 months after a change in control of SCA, the executive would be entitled to receive (i) a lump sum cash payment equal to 1.5 times (two times in the case of Mr. Hayek) the sum of the executive's then-current annual base salary and his target annual bonus, (ii) health insurance benefits for 18 months following the date of termination of employment or until he becomes re-employed with another employer and is eligible to receive health insurance benefits under another employer-provided plan, whichever is earlier, and (iii) a pro rata portion of his annual bonus for the year of termination based on the achievement of applicable performance objectives, payable in a lump sum at the same time as the annual bonuses are otherwise paid. For these purposes, the terms cause, good reason and change in control are defined in the Employment Agreements. The transactions will constitute a change in control for purposes of these agreements.

In each case, the executive's right to receive severance benefits under the Employment Agreement is subject to the executive's executing a release of claims in favor of SCA and such release becoming effective, and compliance with restrictive covenants. The executives are not entitled to any tax gross-up payments from SCA. Instead, should any benefits payable to the executive in connection with a change in control of SCA be subject to the excise tax imposed under Section 4999 of the Code, the executive will be entitled to either payment of the benefits in full (but no gross-up payment) or a reduction in the benefits to the extent necessary to avoid triggering the excise tax, whichever would result in the executive receiving the greater benefit on an after-tax basis.

On January 6, 2017, Mr. Clark entered into an amendment to his employment agreement with SCA, contingent on, and effective as of, the consummation of the transactions. The amendment provides that the term of the employment agreement will be extended until June 30, 2020. It further provides that Mr. Clark will remain

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a full-time employee until June 30, 2017, and commencing on July 1, 2017, Mr. Clark will reduce his time commitment to 75% of full-time employment, and each July 1 thereafter reduce his time commitment to 50% and 25% of full-time employment, respectively, with commensurate reductions to his salary. Pursuant to the amendment, (i) Mr. Clark will waive any occurrence of good reason resulting from a change in his duties, responsibilities or positions as a result of the consummation of the transactions, (ii) a relocation of his work location will no longer trigger good reason, and (iii) no future equity incentive awards will be made to Mr. Clark following the equity incentive award made by SCA in 2017 (which will have a grant value of \$1,000,000).

Executive Officer Arrangements Following the Transactions

As of the date of this document, three of SCA's named executive officers have entered into employment agreements with UnitedHealth Group regarding their continued service with UnitedHealth Group after the effective time of the mergers, which are contingent on, and shall become effective as of, the consummation of the transactions.

Agreement with Mr. Hayek

The agreement with UnitedHealth Group provides that Mr. Hayek will serve as Chief Executive Officer of SCA. He will receive an annual base salary of \$820,000, will be eligible for an annual target bonus of 120% of annual base salary and will be awarded an initial equity award with a value of \$4,500,000. In addition, management will recommend an equity award for the 2018 plan year in the amount of \$4,500,000. In the event Mr. Hayek's employment is terminated by UnitedHealth Group without cause (as defined in the employment agreement) or by Mr. Hayek for good reason (as defined in the employment agreement), in addition to receiving any accrued benefits, he will be entitled to: (i) two times his annualized base salary in effect as of the effective date of termination, (ii) any bonus or incentive compensation paid for the two most recent calendar years (excluding equity-related awards, payments under any long-term or similar benefit plan or any other special or one-time bonus or incentive compensation payments), or, if termination occurs within two years of the effective date of the agreement, two times his target bonus, (iii) a \$12,000 lump sum payment, to offset costs of COBRA, to be paid within 60 days following termination, (iv) accrued but unused vacation, payable in a lump sum, (v) outplacement services through a firm selected by, and in an amount determined by, UnitedHealth Group, and (vi) if the termination occurs within two years of the effective date of the agreement, a pro rata bonus for the year of termination based on the amount paid or payable to him for the most recent calendar year (or if termination occurs within one year of the effective date of the agreement, his target bonus). The employment agreement also contains confidentiality and non-disparagement provisions, and non-competition and non-solicitation covenants that survive for two years following Mr. Hayek's termination.

Agreement with Mr. Rucker

The agreement with UnitedHealth Group provides that Mr. Rucker will serve as Executive Vice President and Chief Operating Officer of SCA. He will receive an annual base salary of \$476,625, will be eligible for an annual target bonus of 77.5% of annual base salary and will be awarded an initial equity award with a value of \$1,250,000. In addition, management will recommend an equity award for the 2018 plan year in the amount of \$1,250,000. If Mr. Rucker's employment is terminated by UnitedHealth Group without cause (as defined in the employment agreement) or by Mr. Rucker for good reason (as defined in the employment agreement), in addition to receiving any accrued benefits, he will be entitled to: (i) an amount equal to 18 months of annualized base salary, (ii) pro rata bonus for the year of termination based on the amount paid or payable to him for the most recent calendar year, (iii) a \$12,000 lump sum payment, to offset costs of COBRA, to be paid within 60 days following termination, (iv) accrued but unused vacation, payable in a lump sum, (v) outplacement services through a firm selected by, and in an amount determined by, UnitedHealth Group, and (vi) if the termination occurs within two years of the effective date of the agreement, an amount equal to 1.5 times his target bonus. The employment agreement also contains confidentiality

and non-disparagement provisions, and non-competition and non-solicitation covenants that survive for 18 months following Mr. Rucker's termination.

Table of Contents**Agreement with Mr. Sharff**

The agreement with UnitedHealth Group provides that Mr. Sharff will serve as Executive Vice President, Corporate Secretary and General Counsel of SCA. He will receive an annual base salary of \$435,625, will be eligible for an annual target bonus of 65% of annual base salary and will be awarded an initial equity award with a value of \$700,000. In addition, management will recommend an equity award for the 2018 plan year in the amount of \$700,000. If Mr. Sharff's employment is terminated by UnitedHealth Group without cause (as defined in the employment agreement) or by Mr. Sharff for good reason (as defined in the employment agreement), in addition to receiving any accrued benefits, he will be entitled to: (i) an amount equal to 18 months of annualized base salary, (ii) pro rata bonus for the year of termination based on the amount paid or payable to him for the most recent calendar year, (iii) a \$12,000 lump sum payment, to offset costs of COBRA, to be paid within 60 days following termination, (iv) accrued but unused vacation, payable in a lump sum, (v) outplacement services through a firm selected by, and in an amount determined by, UnitedHealth Group, and (vi) if the termination occurs within two years of the effective date of the agreement, an amount equal to 1.5 times his target bonus. The employment agreement also contains confidentiality and non-disparagement provisions, and non-competition and non-solicitation covenants that survive for 18 months following Mr. Sharff's termination.

In addition to the foregoing provisions, each of the employment agreements with UnitedHealth Group provide that the executives will be eligible to participate in UnitedHealth Group's, or SCA's, welfare, retirement, and stock incentive plans. Each of the agreements conditions the receipt of any severance benefits on the executive's timely entering into and not revoking UnitedHealth Group's standard separation agreement and release of claims.

Certain Relationships With SCA

Neither UnitedHealth Group nor the Offeror has effected any transaction in securities of SCA in the past 60 days. To the best of UnitedHealth Group's and the Offeror's knowledge, after reasonable inquiry, none of the persons listed on Annex D hereto, nor any of their respective associates or majority-owned subsidiaries, beneficially owns or has the right to acquire any securities of SCA or has effected any transaction in securities of SCA during the past 60 days.

Source and Amount of Funds

UnitedHealth Group anticipates that the funds needed to complete the offer and the first merger will be derived from available cash on hand. UnitedHealth Group's obligation to consummate the offer and the first merger is not conditioned upon any financing arrangements or contingencies. UnitedHealth Group estimates that it will need approximately \$484.5 million in cash in the case of the default cash consideration and up to \$1,187.0 million in cash in the case of an election to increase the applicable cash consideration to the maximum amount allowed under the merger agreement in order to consummate the offer and the first merger.

UnitedHealth Group intends to repay the amounts, if any, outstanding under SCA's existing credit facility, and pay related fees and expenses associated therewith with cash on hand. Letters of credit under SCA's existing credit facility will be assigned to UnitedHealth Group.

Fees and Expenses

UnitedHealth Group has retained D. F. King & Co., Inc. as information agent in connection with the offer and the first merger. The information agent may contact holders of shares by mail, email, telephone, facsimile or personal interview and may request brokers, dealers, commercial banks and trust companies and other nominees to forward material relating to the offer and the first merger to beneficial owners of shares. UnitedHealth Group will pay the

information agent reasonable and customary compensation for its services in connection with the offer, will reimburse the information agent for its reasonable out-of-pocket expenses and will indemnify the information agent against certain liabilities and expenses, including certain liabilities under the U.S. federal securities laws.

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In addition, UnitedHealth Group has retained Wells Fargo Bank, N.A. as exchange agent in connection with the offer and the first merger. UnitedHealth Group will pay the exchange agent reasonable and customary compensation for its services in connection with the offer, will reimburse the exchange agent for its reasonable out-of-pocket expenses and will indemnify the exchange agent against certain liabilities and expenses, including certain liabilities under the U.S. federal securities laws.

UnitedHealth Group will reimburse brokers, dealers, commercial banks and trust companies and other nominees, upon request, for customary clerical and mailing expenses incurred by them in forwarding materials related to the offer and the first merger to their customers. Except as set forth above, neither UnitedHealth Group nor the Offeror will pay any fees or commissions to any broker, dealer or other person for soliciting tenders of shares pursuant to the offer.

Accounting Treatment

In accordance with GAAP, UnitedHealth Group will account for the acquisition of shares in the offer and the first merger under the acquisition method of accounting for business combinations.

Stock Exchange Listing

Shares of UnitedHealth Group common stock are listed on the NYSE under the symbol UNH. UnitedHealth Group intends to submit a supplemental listing application to list on the NYSE the shares of UnitedHealth Group common stock that UnitedHealth Group will issue in the offer and the first merger as part of the transaction consideration. Approval of such listing is a condition to completion of the offer and the first merger.

Resale of UnitedHealth Group Common Stock

All UnitedHealth Group common stock received by SCA stockholders as consideration in the offer and the first merger will be freely tradable for purposes of the Securities Act, except for UnitedHealth Group common stock received by any person who is deemed an affiliate of UnitedHealth Group at the time of the closing of the first merger. UnitedHealth Group common stock held by an affiliate of UnitedHealth Group may be resold or otherwise transferred without registration in compliance with the volume limitations, manner of sale requirements, notice requirements and other requirements under Rule 144 or as otherwise permitted under the Securities Act. This document does not cover resales of UnitedHealth Group common stock received upon completion of the offer or the first merger by any person, and no person is authorized to make any use of this document in connection with any resale.

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EXCHANGE OFFER PROCEDURES

Distribution of Offering Materials

This document, the related letter of transmittal and other relevant materials will be delivered to record holders of shares of SCA common stock and to brokers, dealers, commercial banks, trust companies and similar persons whose names, or the names of whose nominees, appear on SCA's stockholder list or, if applicable, who are listed as participants in a clearing agency's security position listing, so that they can in turn send these materials to beneficial owners of shares of SCA common stock.

Expiration of the Offer

The offer is scheduled to expire at 12:01 a.m., New York City time, on Tuesday, March 21, 2017, which is the expiration date, unless terminated or extended. Expiration date means Tuesday, March 21, 2017 unless and until the Offeror has extended or re-extended the period during which the offer is open, subject to the terms and conditions of the merger agreement, in which event the term expiration date means the subsequent time and date at which the offer, as so extended or re-extended by the Offeror, will expire.

Extension, Termination and Amendment of Offer

Subject to the provisions of the merger agreement, and unless the offer or the merger agreement is terminated in accordance with its terms, (1) the Offeror must (and UnitedHealth Group must cause the Offeror to) extend the expiration date for any period required by the U.S. federal securities laws and rules and regulations of the SEC and its staff or of Nasdaq applicable to the offer (but in no event will the Offeror be required to extend the offer past July 7, 2017 (the end date)), and (2) if the offer conditions are not satisfied at any scheduled expiration date, the Offeror may (and must, if requested by SCA) extend the offer and the expiration date to a date that is not more than 10 business days after the previously scheduled expiration date. If, as of any expiration date, the HSR clearance condition or the minimum tender condition have not been satisfied, and if the Offeror elects to, or if SCA requests that the Offeror extend the offer and the expiration date, the Offeror will extend the offer and the then-scheduled expiration date to a date that is not more than 20 business days after the then-scheduled expiration date (but which may in no event be later than the end date). However, in no event will the Offeror be required to (and the Offeror will not, if requested by SCA) extend the offer and the expiration date to a date that is after the later of (i) 30 calendar days following the satisfaction of each of the conditions related to HSR clearance, effectiveness of the registration statement on Form S-4 of which this document is a part, the approval for listing of the UnitedHealth Group shares to be issued in the offer and the first merger on the NYSE and required health care regulatory consents, and (ii) May 7, 2017.

If the merger agreement is terminated, the Offeror will promptly terminate the offer.

If the Offeror does not accept any tendered SCA shares for exchange pursuant to the terms and conditions of the offer for any reason, including as a result of termination of the offer, the Offeror will cause to be returned such unexchanged shares without expense to the tendering stockholder or, in the case of shares tendered by book-entry transfer into the exchange agent's account at The Depository Trust Company (DTC), the shares to be returned will be credited to an account maintained with DTC following any such termination of the offer.

Other than as described above, the Offeror may not extend, terminate or withdraw the offer without the prior written consent of SCA. Any decision to extend, terminate or withdraw the offer will be made public by a press release or otherwise by a public announcement.

The Offeror expressly reserves the right to waive any offer condition or modify the terms of the offer, including increasing the transaction consideration payable in the offer. However, without the prior written consent of SCA, the Offeror may not (and UnitedHealth Group will not permit the Offeror to): (1) reduce the number of shares of SCA common stock subject to the offer, (2) reduce the transaction consideration to be paid

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in the offer, (3) change the form of consideration payable in the offer, other than the election of UnitedHealth Group to increase the applicable cash consideration and proportionally decrease the applicable stock consideration in accordance with the terms of the merger agreement, (4) waive, amend or modify the minimum tender condition or the conditions relating to HSR clearance, the effectiveness of the registration statement on Form S-4 of which this document is a part, the approval for listing of the UnitedHealth Group shares to be issued in the offer and the first merger on the NYSE, there being no legal prohibitions against the offer or the mergers, and the receipt of tax opinions (provided that UnitedHealth Group will (and will cause the Offeror to) waive the tax opinions conditions upon SCA's written request), (5) add any condition to the offer other than those described in The Merger Agreement Conditions to the Offer, (6) amend, modify or supplement any offer condition or, except as otherwise expressly permitted by the merger agreement, any other term of the offer, in each case, in any manner adverse to the holders of SCA common stock, (7) except as otherwise expressly required or permitted under the merger agreement, terminate or extend the offer, or (8) provide any subsequent offering period in accordance with Rule 14d-11 of the Exchange Act.

In the case of any extension, the Offeror will make a public announcement of such extension that is issued no later than 9:00 a.m., New York City time, on the next business day following the previously scheduled expiration date. Subject to applicable law (including Rules 14d-4(c) and 14d-6(d) under the Exchange Act, which require that any material change in the information published, sent or given to stockholders in connection with the offer be promptly disseminated to stockholders in a manner reasonably designed to inform them of such change) and without limiting the manner in which the Offeror may choose to make any public announcement, the Offeror assumes no obligation to publish, advertise or otherwise communicate any such public announcement of this type other than by issuing a press release or making a public announcement.

If the Offeror materially changes the terms of the offer, including following an election by UnitedHealth Group to increase the applicable cash consideration and proportionally decrease the applicable stock consideration, or the information concerning the offer, or if the Offeror waives a material condition of the offer, the Offeror will extend the offer to the extent legally required under the Exchange Act.

For purposes of the offer, a business day is calculated in accordance with Rule 14d-1(g)(3) promulgated under the Exchange Act.

The parties do not anticipate making any subsequent offering period available after the offer.

Exchange of Shares

UnitedHealth Group has retained Wells Fargo Bank, N.A. as the depository and exchange agent (the exchange agent) to handle the exchange of shares for the transaction consideration in both the offer and the first merger.

Upon the terms and subject to the satisfaction or waiver of the conditions of the offer (including, if the offer is extended or amended, the terms and conditions of any such extension or amendment), the Offeror will accept for exchange promptly after the expiration date, and will thereafter promptly exchange the transaction consideration for, shares of SCA common stock validly tendered in the offer and not properly withdrawn. In all cases, a SCA stockholder will receive consideration for tendered SCA shares only after timely receipt by the exchange agent of a confirmation of a book-entry transfer of those shares, a properly completed and duly executed letter of transmittal or an agent's message in connection with a book-entry transfer (as described below), as applicable, and any other documents as may customarily be required by the exchange agent.

For purposes of the offer, the Offeror will be deemed to have accepted for exchange shares validly tendered and not properly withdrawn if and when it notifies the exchange agent of its acceptance of those shares pursuant to the offer.

The exchange agent will deliver to the applicable SCA stockholders any cash and shares of UnitedHealth Group common stock issuable in exchange for shares validly tendered and accepted pursuant to the

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offer promptly after receipt of such notice informing it of the Offeror's acceptance. The exchange agent will act as the agent for tendering SCA stockholders for the purpose of receiving cash and UnitedHealth Group shares from the Offeror and transmitting such cash and stock to the tendering SCA stockholders. SCA stockholders will not receive any interest on any cash that the Offeror pays in the offer, even if there is a delay in making the exchange.

Without the prior written consent of SCA, the Offeror shall not accept for payment or pay for any SCA shares if, as a result, the Offeror would acquire less than the number of shares required to satisfy the minimum tender condition to the offer.

If the Offeror does not accept any tendered SCA shares for exchange pursuant to the terms and conditions of the offer for any reason, the Offeror will cause to be returned such unexchanged shares without expense to the tendering stockholder or, in the case of shares tendered by book-entry transfer into the exchange agent's account at DTC, the shares to be returned will be credited to an account maintained with DTC following expiration or termination of the offer.

Withdrawal Rights

SCA stockholders may withdraw tendered shares of SCA common stock at any time until the expiration time on the expiration date (as the same may be extended) or if the Offeror fails to promptly accept and pay for such tendered shares.

For the withdrawal of shares to be effective, the exchange agent must receive a written notice of withdrawal from the SCA stockholder at one of the addresses set forth elsewhere in this document, prior to the expiration time on the expiration date. The notice must include the SCA stockholder's name, address, social security number, the number of shares to be withdrawn and the name of the registered holder, if it is different from that of the person who tendered those shares, and any other information required pursuant to the offer or the procedures of DTC, if applicable.

A financial institution must guarantee all signatures on the notice of withdrawal, unless the shares to be withdrawn were tendered for the account of an eligible institution. Most banks, savings and loan associations and brokerage houses are able to provide signature guarantees. An eligible institution is a financial institution that is a participant in the Securities Transfer Agents Medallion Program.

If shares have been tendered pursuant to the procedures for book-entry transfer, any notice of withdrawal must specify the name and number of the account at DTC to be credited with the withdrawn shares and must otherwise comply with DTC's procedures.

The Offeror will decide all questions as to the form and validity (including time of receipt) of any notice of withdrawal in its sole discretion, and its decision will be final and binding, provided that applicable securityholders may challenge any such determination in a court of competent jurisdiction. None of the Offeror, UnitedHealth Group, SCA, the exchange agent, the information agent or any other person is under any duty to give notification of any defects or irregularities in any tender or notice of withdrawal or will incur any liability for failure to give any such notification. Any shares properly withdrawn will be deemed not to have been validly tendered for purposes of the offer. However, a SCA stockholder may re-tender withdrawn shares by following the applicable procedures discussed under the section "Procedures for Tendering" at any time prior to the expiration date.

Procedures for Tendering

To validly tender shares of SCA common stock held of record, SCA stockholders must:

if such shares are held in book entry form directly with SCA via the direct registration system, deliver a properly completed and duly executed letter of transmittal, along with any required signature

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guarantees and any other required documents, if applicable, for tendered SCA shares to the exchange agent for the offer, at its address set forth elsewhere in this document, all of which must be received by the exchange agent prior to the expiration date; or

if such shares are in electronic book-entry form, deliver an agent's message in connection with a book-entry transfer, and any other required documents, to the exchange agent at its address set forth elsewhere in this document and follow the other procedures for book-entry tender set forth herein, all of which must be received by the exchange agent prior to the expiration date.

If shares of SCA common stock are held in street name (i.e., through a broker, dealer, commercial bank, trust company or other nominee), those shares may be tendered by the nominee holding such shares by book-entry transfer through DTC. To validly tender such shares held in street name, SCA stockholders should instruct such nominee to do so prior to the expiration date.

The term "agent's message" means a message transmitted by DTC to, and received by, the exchange agent and forming a part of a book-entry confirmation, which states that DTC has received an express acknowledgment from the DTC participant tendering the shares that are the subject of such book-entry confirmation, that such participant has received and agrees to be bound by the terms of the letter of transmittal and that the Offeror may enforce that agreement against such participant.

The exchange agent has established an account with respect to the shares at DTC in connection with the offer, and any financial institution that is a participant in DTC may make book-entry delivery of shares by causing DTC to transfer such shares prior to the expiration date into the exchange agent's account in accordance with DTC's procedure for such transfer. However, although delivery of shares may be effected through book-entry transfer at DTC, the letter of transmittal with any required signature guarantees, or an agent's message in lieu thereof, along with any other required documents, must, in any case, be received by the exchange agent at one of its addresses set forth elsewhere in this document prior to the expiration date. **The Offeror cannot assure SCA stockholders that book-entry delivery of shares will be available. The Offeror is not providing for guaranteed delivery procedures and therefore SCA stockholders must allow sufficient time for the necessary tender procedures to be completed during normal business hours of DTC prior to the expiration date.** Tendered shares received by the exchange agent after the expiration date will be disregarded and of no effect.

Signatures on all letters of transmittal must be guaranteed by an eligible institution, except in cases in which shares are tendered either by a registered holder of shares who has not completed the box entitled "Special Issuance Instructions" or the box entitled "Special Delivery Instructions" on the letter of transmittal or for the account of an eligible institution.

The method of delivery of SCA shares and all other required documents, including delivery through DTC, is at the option and risk of the tendering SCA stockholder, and delivery will be deemed made only when actually received by the exchange agent. If delivery is by mail, the Offeror recommends registered mail with return receipt requested and properly insured. In all cases, SCA stockholders should allow sufficient time to ensure timely delivery.

To prevent U.S. federal backup withholding, each SCA stockholder that is a "United States person" (within the meaning of the U.S. Internal Revenue Code, as amended (the "Code")) must provide the exchange agent with its correct taxpayer identification number and certify that it is not subject to backup withholding by completing the Internal Revenue Service ("IRS") Form W-9 included with the letter of transmittal. Certain stockholders (including, among others, certain foreign persons) are not subject to these backup withholding requirements. In order for a foreign person to qualify as an exempt recipient for purposes of U.S. backup withholding, the stockholder must submit an IRS Form W-8BEN, or

other applicable IRS Form W-8, signed under penalties of perjury, attesting to such person's exempt status. In addition, foreign persons may be subject to U.S. federal withholding tax with respect to cash received pursuant to the offer. For more information, see **Tax Withholding** in the instructions to the accompanying letter of transmittal.

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The tender of shares pursuant to any of the procedures described above will constitute a binding agreement between the Offeror and the tendering SCA stockholder upon the terms and subject to the satisfaction or waiver of the conditions of the offer (including, if the offer is extended or amended, the terms and conditions of any such extension or amendment).

No Guaranteed Delivery

The Offeror is not providing for guaranteed delivery procedures, and therefore SCA stockholders must allow sufficient time for the necessary tender procedures to be completed during normal business hours of DTC prior to the expiration date. SCA stockholders must tender their SCA shares in accordance with the procedures set forth in this document. In all cases, the Offeror will exchange shares tendered and accepted for exchange pursuant to the offer only after timely receipt by the exchange agent of shares (or timely confirmation of a book-entry transfer of such shares into the exchange agent's account at DTC as described elsewhere in this document), a properly completed and duly executed letter of transmittal (or an agent's message in connection with a book-entry transfer) and any other required documents.

Grant of Proxy

By executing a letter of transmittal or an agent's message in lieu thereof, an SCA stockholder will irrevocably appoint the Offeror's designees as such SCA stockholder's attorneys-in-fact and proxies, each with full power of substitution, to the full extent of such stockholder's rights with respect to its shares tendered and accepted for exchange by the Offeror and with respect to any and all other shares and other securities issued or issuable in respect of those shares on or after the expiration date. That appointment is effective, and voting rights will be effected, when and only to the extent that the Offeror accepts tendered SCA shares for exchange pursuant to the offer and deposits with the exchange agent the transaction consideration for such shares. All such proxies will be considered coupled with an interest in the tendered shares and therefore will not be revocable. Upon the effectiveness of such appointment, all prior proxies that the SCA stockholder has given will be revoked, and such stockholder may not give any subsequent proxies (and, if given, they will not be deemed effective). The Offeror's designees will, with respect to the shares for which the appointment is effective, be empowered, among other things, to exercise all of such stockholder's voting and other rights as they, in their sole discretion, deem proper at any annual, special or adjourned meeting of SCA's stockholders or otherwise.

The Offeror reserves the right, prior to the expiration of the offer, to require that, in order for shares to be deemed validly tendered, immediately upon the exchange of such shares, the Offeror must be able to exercise full voting rights with respect to such shares. However, prior to acceptance for exchange by the Offeror in accordance with terms of the offer, the appointment will not be effective, and the Offeror will have no voting rights as a result of the tender of shares until such acceptance.

Fees and Commissions

Tendering registered SCA stockholders who tender shares directly to the exchange agent will not be obligated to pay any charges or expenses of the exchange agent or any brokerage commissions. Tendering SCA stockholders who hold SCA shares through a broker, dealer, commercial bank, trust company or other nominee should consult that institution as to whether or not such institution will charge the stockholder any service fees in connection with tendering shares pursuant to the offer. Except as set forth in the instructions to the letter of transmittal, transfer taxes on the exchange of shares pursuant to the offer will be paid by the Offeror.

Matters Concerning Validity and Eligibility

The Offeror will determine questions as to the validity, form, eligibility (including time of receipt) and acceptance for exchange of any tender of shares, in its sole discretion, and its determination will be final and binding, provided that applicable securityholders may challenge any such determination in a court of competent

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jurisdiction. The Offeror reserves the absolute right to reject any and all tenders of shares that it determines are not in the proper form or the acceptance of or exchange for which may be unlawful. The Offeror also reserves the absolute right, subject to applicable laws, to waive any defect or irregularity in the tender of any shares. No tender of shares will be deemed to have been validly made until all defects and irregularities in tenders of such shares have been cured or waived. None of the Offeror, UnitedHealth Group, SCA, the exchange agent, the information agent or any other person will be under any duty to give notification of any defects or irregularities in the tender of any shares or will incur any liability for failure to give any such notification. Subject to any rights of SCA under the merger agreement, the Offeror's interpretation of the terms and conditions of the offer (including the letter of transmittal and instructions thereto) will be final and binding, provided that applicable securityholders may challenge any such determination in a court of competent jurisdiction.

SCA stockholders who have any questions about the procedure for tendering shares in the offer should contact the information agent, D. F. King, toll-free at (800) 431-9645 or at the address set forth elsewhere in this document.

Announcement of Results of the Offer

UnitedHealth Group will announce the final results of the offer, including whether all of the conditions to the offer have been satisfied or, to the extent permitted, waived and whether the Offeror will accept the tendered shares of SCA common stock for exchange, as promptly as practicable following the expiration date. The announcement will be made by a press release in accordance with applicable securities laws and stock exchange requirements.

No Stockholder Approval

If the offer is consummated, UnitedHealth Group is not required to and will not seek the approval of SCA's remaining public stockholders before effecting the first merger. Section 251(h) of the DGCL provides that following the consummation of a successful tender offer for the outstanding shares of voting stock of a corporation whose shares are listed on a national securities exchange, and subject to certain statutory provisions, if the acquiring corporation owns at least the amount of shares of each class or series of stock of the target corporation that would otherwise be required to adopt a merger agreement providing for the merger of the target corporation, and as soon as practicable thereafter each outstanding share of each class or series of stock of the target corporation subject to, but not tendered in, the tender offer is subsequently converted by virtue of such a merger into, or into the right to receive, the same amount and kind of consideration for their stock in the merger as was payable in the tender offer, the acquiring corporation can effect such a merger without the vote of the stockholders of the target corporation. If the offer is completed, it will mean that the minimum tender condition has been satisfied, and if the minimum tender condition has been satisfied, it will mean that the first merger may be consummated pursuant to Section 251(h) of the DGCL. Accordingly, if the offer is completed, UnitedHealth Group intends to effect the closing of the first merger without a vote of the SCA stockholders in accordance with Section 251(h) of the DGCL.

Non-Applicability of Rules Regarding Going Private Transactions

The SEC has adopted Rule 13e-3 under the Exchange Act, which is applicable to certain going private transactions, and which may under certain circumstances be applicable to the first merger or another business combination following the purchase of shares pursuant to the offer in which the Offeror seeks to acquire the remaining shares not held by it. The Offeror believes that Rule 13e-3 will not be applicable to the first merger because it is anticipated that the first merger will be effected within one year following the consummation of the offer and, in the first merger, SCA stockholders will receive the same consideration as that paid in the offer. It is anticipated that, because the first merger may be effected pursuant to Section 251(h) of the DGCL if the offer is consummated, the first merger will be consummated on the same day that the offer is consummated.

Table of Contents***Effect of the Offer on the Market for SCA Common Stock***

The purchase of shares of SCA common stock by the Offeror pursuant to the offer will reduce the number of holders of shares of SCA common stock, and the number of shares of SCA common stock that might otherwise trade publicly and could adversely affect the liquidity and market value of the remaining shares held by the public. The extent of the public market for shares of SCA common stock after consummation of the offer and the availability of quotations for such shares will depend upon a number of factors, including the number of SCA stockholders, the aggregate market value of the shares of SCA common stock held by the public at such time, the interest in maintaining a market in the shares of SCA common stock, analyst coverage of SCA on the part of any securities firms and other factors. It is anticipated that, because the first merger may be effected pursuant to Section 251(h) of the DGCL if the offer is consummated, the first merger will be consummated on the same day that the offer is consummated. As a result of the first merger, shares of SCA common stock will no longer qualify for inclusion on Nasdaq and will be withdrawn from listing.

Nasdaq Listing

The shares of SCA common stock are currently listed on Nasdaq. However, the rules of Nasdaq establish certain criteria that, if not met, could lead to the discontinuance of listing of the shares of SCA common stock from Nasdaq. Among such criteria are the number of stockholders, the number of shares publicly held and the aggregate market value of the shares publicly held. If, as a result of the purchase of shares of SCA common stock pursuant to the offer or otherwise, shares of SCA common stock no longer meet the requirements of Nasdaq for continued listing and the listing of shares of SCA common stock is discontinued, the market for such shares would be adversely affected.

Following the consummation of the offer, if the first merger is for some reason not consummated, it is possible that shares of SCA common stock would be traded on other securities exchanges (with trades published by such exchanges), the OTC Bulletin Board or in a local or regional over-the-counter market. The extent of the public market for such shares would, however, depend upon the number of SCA stockholders and the aggregate market value of shares of SCA common stock remaining at such time, the interest in maintaining a market in such shares on the part of securities firms, the possible termination of registration of shares of SCA common stock under the Exchange Act and other factors. As a result of the first merger, shares of SCA common stock will no longer qualify for inclusion on Nasdaq and will be withdrawn from listing.

Registration Under the Exchange Act

The shares of SCA common stock are currently registered under the Exchange Act. Such registration may be terminated upon application by SCA to the SEC if SCA shares are neither listed on a national securities exchange nor held by 300 or more holders of record. Termination of registration of SCA shares under the Exchange Act would substantially reduce the information required to be furnished by SCA to its stockholders and to the SEC and would make certain provisions of the Exchange Act no longer applicable to SCA, such as the short-swing profit recovery provisions of Section 16(b) of the Exchange Act, the requirement of furnishing a proxy statement pursuant to Section 14(a) of the Exchange Act in connection with meetings of stockholders and the related requirement of furnishing an annual report to stockholders and the requirements of Rule 13e-3 under the Exchange Act with respect to going private transactions. Furthermore, the ability of affiliates of SCA and persons holding restricted securities of SCA to dispose of such securities pursuant to Rule 144 promulgated under the Securities Act may be impaired. If registration of shares of SCA common stock under the Exchange Act were terminated, such shares would no longer be margin securities or be eligible for quotation on Nasdaq. After consummation of the offer and the first merger, UnitedHealth Group and SCA have agreed to cooperate to cause SCA to terminate the registration of SCA shares under the Exchange Act as soon as the requirements for termination of registration are met.

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Margin Regulations

The shares of SCA common stock are currently margin securities under the Regulations of the Board of Governors of the Federal Reserve System (the Federal Reserve Board), which designation has the effect, among other effects, of allowing brokers to extend credit on the collateral of such shares of SCA common stock. Depending upon factors similar to those described above regarding the market for SCA shares and stock quotations, it is possible that, following the offer, shares of SCA common stock would no longer constitute margin securities for the purposes of the margin regulations of the Federal Reserve Board and, therefore, could no longer be used as collateral for loans made by brokers. As a result of the first merger, shares of SCA common stock will no longer constitute margin securities.

Exchange Agent Contact Information

The contact information for the exchange agent for the offer and the first merger is:

Wells Fargo Bank, N.A.

By first class mail:
Wells Fargo Bank, N.A.

Shareowner Services

Voluntary Corporate Actions

P.O. Box 64858

St. Paul, MN 55164-0858

By registered mail or overnight courier:
Wells Fargo Bank, N.A.

Shareowner Services

Voluntary Corporate Actions

1110 Centre Pointe Curve, Suite 101

Mendota Heights, MN 55120

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MERGER AGREEMENT

This section describes certain material terms of the merger agreement. The description in this section and elsewhere in this document is qualified in its entirety by reference to the complete text of the merger agreement, a copy of which is attached as Annex A and is incorporated by reference into this document. This summary does not purport to be complete and may not contain all of the information about the merger agreement that is important to you in determining whether to tender your SCA shares in the offer. We encourage you to read the merger agreement carefully and in its entirety. The legal rights and obligations of the parties are governed by the specific language of the merger agreement and not this summary.

Explanatory Note Regarding the Merger Agreement and the Summary of the Merger Agreement; Representations, Warranties and Covenants in the Merger Agreement Are Not Intended to Function or Be Relied on as Public Disclosures

The merger agreement and the summary of terms included in this document have been prepared to provide you with information regarding its terms and are not intended to provide any factual information about SCA, UnitedHealth Group, the Offeror, Merger Sub or any of their respective subsidiaries or affiliates. Such information can be found elsewhere in this document or in the public filings that UnitedHealth Group or SCA makes with the SEC, as described in the section entitled *Where to Obtain Additional Information* . The representations, warranties and covenants contained in the merger agreement have been made solely for the purposes of the merger agreement as of specific dates and solely for the benefit of parties to, or to third parties as specified in, the merger agreement and:

are not intended as statements of fact, but rather as a way of allocating the risk between the parties in the event the statements therein prove to be inaccurate;

have been modified or qualified by certain confidential disclosures that were made between the parties in connection with the negotiation of the merger agreement, which disclosures are not reflected in the merger agreement itself;

may no longer be true as of a given date;

may be subject to a contractual standard of materiality in a way that is different from those generally applicable to you or other SCA stockholders and reports and documents filed with the SEC; and

may be subject in some cases to other exceptions and qualifications (including exceptions that do not result in, and would not reasonably be expected to have, a material adverse effect) .

Accordingly, you should not rely on the representations, warranties or covenants or any descriptions thereof as characterizations of the actual state of facts or condition of SCA, UnitedHealth Group, the Offeror, Merger Sub or any of their respective subsidiaries or affiliates. Moreover, information concerning the subject matter of the representations and warranties may change after the date as of which the representations and warranties were made in the merger agreement, which subsequent information may or may not be fully reflected in the public disclosures of SCA or UnitedHealth Group. Accordingly, the representations and warranties and other provisions of the merger

agreement or any description of such provisions should not be read alone, but instead should be read together with the information provided elsewhere in this document and in the documents incorporated by reference into this document. See [Where to Obtain Additional Information](#) .

The Offer

The Offeror is offering to exchange the transaction consideration for each outstanding share of SCA common stock that is validly tendered in the offer and not properly withdrawn.

The Offeror's obligation to accept for exchange and to exchange shares of SCA common stock validly tendered in the offer and not properly withdrawn is subject only to the satisfaction or waiver of certain

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conditions, including there having been validly tendered and not properly withdrawn in accordance with the terms of the offer a number of shares of SCA common stock that, together with any shares of SCA common stock then owned by UnitedHealth Group, the Offeror or UnitedHealth Group's other subsidiaries, represents at least a majority of all then-outstanding shares of SCA common stock. This condition is referred to as the minimum tender condition. See

Conditions to the Offer beginning on page 91 for a description of the other offer conditions.

The offer is scheduled to expire at 12:01 a.m., New York City time, on the expiration date, unless extended or the merger agreement is earlier terminated. The expiration date means the twenty-first (21st) business day following (and including) the date that the offer is commenced (i.e. Tuesday, March 21, 2017), unless the Offeror has extended the period during which the offer is open, subject to the terms and conditions of the merger agreement or as required by applicable laws or the interpretations of the SEC, in which event the term expiration date means the subsequent time and date that the offer, as so extended, may expire.

Subject to the provisions of the merger agreement, and unless the offer or the merger agreement is terminated in accordance with its terms, (1) the Offeror must (and UnitedHealth Group must cause the Offeror to) extend the expiration date for any period required by the U.S. federal securities laws and rules and regulations of the SEC and its staff or of Nasdaq applicable to the offer (but in no event will the Offeror be required to extend the offer past July 7, 2017 (the end date)), and (2) if the offer conditions are not satisfied at any scheduled expiration date, the Offeror may (and must, if requested by SCA) extend the offer and the expiration date to a date that is not more than 10 business days after the previously scheduled expiration date. If, as of any expiration date, the HSR clearance condition or the minimum tender condition have not been satisfied, and if the Offeror elects to, or if SCA requests that the Offeror extend the offer and the expiration date, the Offeror will extend the offer and the then-scheduled expiration date to a date that is not more than 20 business days after the then-scheduled expiration date (but which may in no event be later than the end date). However, in no event will the Offeror be required to (and the Offeror will not, if requested by SCA) extend the offer and the expiration date to a date that is after the later of (i) 30 calendar days following the satisfaction of each of the conditions related to HSR clearance, effectiveness of the registration statement on Form S-4 of which this document is a part, the approval for listing of the UnitedHealth Group shares to be issued in the offer and the first merger on the NYSE and required health care regulatory consents, and (ii) May 7, 2017.

If the offer has not been consummated at or prior to the end date, either SCA or UnitedHealth Group may terminate the merger agreement in accordance with the terms of the merger agreement. If the merger agreement is validly terminated prior to any scheduled expiration date (pursuant to the foregoing sentence or otherwise), the Offeror must promptly (and in any case within twenty-four hours of such termination), irrevocably and unconditionally terminate the offer.

Other than in connection with the termination of the merger agreement, the Offeror may not terminate or withdraw the offer without the prior written consent of SCA.

Any decision to extend, terminate or withdraw the offer will be made public by an announcement. See Exchange Offer Procedures Extension, Termination and Amendment of Offer.

The Offeror expressly reserves the right to waive any offer condition or modify the terms of the offer, including increasing the transaction consideration payable in the offer. However, without the prior written consent of SCA, the Offeror may not (and UnitedHealth Group will not permit the Offeror to): (1) reduce the number of shares of SCA common stock subject to the offer, (2) reduce the transaction consideration to be paid in the offer, (3) change the form of consideration payable in the offer, other than the election of UnitedHealth Group to increase the applicable cash consideration and proportionally decrease the applicable stock consideration in accordance with the terms of the merger agreement, (4) waive, amend or modify the minimum tender condition or the conditions relating to HSR

clearance, the effectiveness of the registration statement on Form S-4 of which this document is a part, the approval for listing of the UnitedHealth Group shares to be issued

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in the offer and the first merger on the NYSE, there being no legal prohibitions against the offer or the mergers, and the receipt of tax opinions (provided that UnitedHealth Group will (and will cause the Offeror to) waive the tax opinions conditions upon SCA's written request), (5) add any condition to the offer other than those described in Merger Agreement Conditions to the Offer, (6) amend, modify or supplement any offer condition or, except as otherwise expressly permitted by the merger agreement, any other term of the offer, in each case, in any manner adverse to the holders of SCA common stock, (7) except as otherwise expressly required or permitted under the merger agreement, terminate or extend the offer, or (8) provide any subsequent offering period in accordance with Rule 14d-11 of the Exchange Act.

Without the prior written consent of SCA, the Offeror shall not accept for payment or pay for any shares of SCA common stock if, as a result, the Offeror would acquire less than the number of shares of SCA common stock necessary to satisfy the minimum tender condition.

The Mergers

Upon the terms and subject to the satisfaction or waiver of the closing conditions, the first merger and the second merger will be completed as soon as practicable after the Offeror accepts for payment the shares of SCA common stock validly tendered in the offer and not properly withdrawn. If the offer is completed such that the Offeror will own at least a majority of the outstanding shares of SCA common stock, including any shares of SCA common stock (if any) owned by UnitedHealth Group, the Offeror and UnitedHealth Group's other subsidiaries, the first merger will be governed by Section 251(h) of the DGCL, and accordingly no stockholder vote will be required to consummate the first merger. The first merger refers to the merger of the Offeror with and into SCA, with SCA surviving the first merger. The second merger refers to the merger of SCA, as the company surviving the first merger, with and into Merger Sub, with Merger Sub surviving the second merger. After the first merger, SCA will be an indirect wholly owned subsidiary of UnitedHealth Group and a direct wholly owned subsidiary of Merger Sub, and the former stockholders of SCA will no longer have any direct ownership interest in the surviving corporation. From and after the effective time of the second merger, the surviving company holding the SCA business will be a limited liability company rather than a corporation.

Following the completion of the mergers, SCA's common stock will be delisted from Nasdaq and deregistered under the Exchange Act and will cease to be publicly traded.

Directors and Officers; Certificate of Incorporation; By-laws

Following the effectiveness of the first merger, the board of directors of the Offeror immediately prior to the effective time of the first merger will be the initial directors of the corporation surviving the first merger, until the earlier of their death, resignation or removal or until their successors have been duly elected and qualified. Following the effectiveness of the second merger, the manager of Merger Sub immediately prior to the effective time of the second merger will be the manager of the company surviving the second merger.

The officers of the Offeror immediately prior to the effective time of the first merger will continue as the officers of the corporation surviving the first merger, and unless otherwise determined by UnitedHealth Group, the officers of the corporation surviving the first merger immediately prior to the effective time of the second merger will be the officers of the company surviving the second merger, until their respective successors are duly elected and qualified, or their earlier death, resignation or removal.

The certificate of incorporation and bylaws of SCA in effect immediately prior to the effective time of the first merger will be the certificate of incorporation and bylaws, respectively, of the corporation surviving the first merger, in each

case, until thereafter changed or amended in accordance with their terms or applicable law. The certificate of formation and limited liability company agreement of Merger Sub as in effect immediately prior to the effective time of the second merger will be the certificate of formation and limited liability company agreement of the company surviving the second merger, until thereafter amended in accordance with applicable law and the applicable provisions of such certificate of formation and limited liability company agreement.

Table of Contents***Closing and Effective Time of the Mergers***

The closing of the mergers will take place at 10:00 a.m. New York City time as soon as practicable following the time at which the Offeror accepts for payment the shares of SCA common stock tendered in the offer and not properly withdrawn, which date shall be no later than the second business day following the satisfaction or waiver of all of the conditions to closing of the mergers described in *Conditions to the Mergers* beginning on page 93 (other than conditions that by their nature are to be satisfied at or immediately prior to the closing of the mergers, but subject to the satisfaction or waiver of such conditions at the closing of the mergers), or at such other date and time as UnitedHealth Group and SCA have otherwise agreed to in writing.

Assuming timely satisfaction of the necessary closing conditions, we anticipate that the mergers will be completed in the first half of 2017. Each merger will become effective at the time when the relevant certificate of merger is duly filed with the Secretary of State of the State of Delaware unless a later date is agreed to by SCA and UnitedHealth Group and is specified therein. The first merger (the merger of the Offeror with and into SCA) must precede the second merger (the merger of the corporation surviving the first merger with and into Merger Sub).

Treatment of Offeror Common Stock and Merger Sub Membership Interests***First Merger***

At the effective time of the first merger, by virtue of the first merger and without any action on the part of the parties to the merger agreement or the holder of any securities of SCA or the Offeror, each issued and outstanding share of common stock of the Offeror, par value \$0.01 per share, will automatically be converted into and become one fully paid and nonassessable share of common stock of the corporation surviving the first merger and will constitute the only outstanding shares of capital stock of the corporation surviving the first merger, and all certificates representing shares of the common stock of the Offeror will be deemed for all purposes to represent the number of shares of common stock of the first surviving corporation into which they were converted.

Second Merger

At the effective time of the second merger, by virtue of the second merger and without any action on the part of the parties to the merger agreement or the holder of any securities of the corporation surviving the first merger or Merger Sub, each membership interest of Merger Sub issued and outstanding immediately prior to the effective time of the second merger will remain outstanding as a membership interest of the company surviving the second merger and all shares of common stock of the corporation surviving the first merger will no longer be outstanding and will automatically be cancelled and will cease to exist without any consideration being payable therefor.

Treatment of SCA Common Stock and Equity Awards***Common Stock***

At the effective time of the first merger, by virtue of the first merger and without any action on the part of the parties to the merger agreement or the holders of any SCA shares or of any shares of the common stock of the Offeror, each SCA share issued and outstanding immediately prior to the effective time of the first merger (other than (i) SCA Shares (if any) owned by UnitedHealth Group, the Offeror or any direct or indirect wholly owned subsidiary of UnitedHealth Group, or any SCA shares held by SCA as treasury stock, or (ii) SCA shares that are held by any stockholder who is entitled to demand and properly demands appraisal pursuant to, and who complies in all respects with the provisions of, Section 262 of the DGCL with respect to such SCA shares) will be cancelled and automatically

converted into the right to receive the transaction consideration. In case of any change in the number of issued or outstanding SCA shares or UnitedHealth Group shares in between the date of

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the merger agreement and the time at which the Offeror first accepts for payment the shares of SCA common stock tendered in the offer as a result of a reclassification, recapitalization, share split, reverse share split, combination, exchange of shares or other like change (other than in connection with the transactions contemplated by the merger agreement), or any share dividend or share distribution (including any dividend or distribution of securities convertible into SCA shares or UnitedHealth Group shares, as applicable) with a record date during such period, the transaction consideration shall be equitably adjusted to reflect such change. No fraction of a share of UnitedHealth Group common stock will be issued by virtue of the offer or the first merger, but in lieu thereof each holder of SCA common stock that would otherwise be entitled to a fraction of a share of UnitedHealth Group common stock (after aggregating all SCA shares tendered in the offer (and not validly withdrawn) by such holder or otherwise held by such holder as of the effective time of the first merger, as applicable) will instead receive an amount of cash without interest and less any applicable withholding taxes determined by multiplying (i) the UnitedHealth Group trading price, rounded to the nearest one-hundredth of a cent by (ii) the fraction of a share (after aggregating all SCA shares held by such holder and accepted for payment by the Offeror pursuant to the Offer or otherwise held by such holder at the effective time of the first merger, as applicable, and rounded to the nearest one thousandth when expressed in decimal form) of UnitedHealth Group common stock to which such holder would otherwise be entitled. SCA shares held in SCA's treasury and each SCA share (if any) owned by UnitedHealth Group, the Offeror or any other direct or indirect wholly-owned subsidiary of UnitedHealth Group will be cancelled and cease to exist and no consideration shall be delivered in exchange therefor. SCA common stock owned by stockholders who are entitled to demand and who have properly exercised and perfected their demands for appraisal rights under the DGCL will not be converted into the right to receive the per share transaction consideration. Such stockholders will instead be entitled to the appraisal rights provided under Delaware law. See *The Transactions* Appraisal Rights.

SCA Stock Options

As described under *Interests of Certain Persons in the Transactions* Treatment of Equity and Equity-Based Awards SCA Stock Options, at the effective time of the first merger, by virtue of the first merger, each outstanding SCA stock option, will, without any further action on the part of any holder thereof, be converted into an option to purchase that number of shares of UnitedHealth Group common stock (rounded down to the nearest whole number) equal to the product of (a) the number of shares of SCA common stock subject to such SCA stock option and (b) \$57.00 divided by the volume weighted average of the closing sale prices per share of UnitedHealth Group common stock on the NYSE, as reported in the New York City edition of *The Wall Street Journal* on each of the five full consecutive trading days ending on and including the third business day prior to the final expiration date of the offer (the equity conversion ratio), at an exercise price per share (rounded up to the nearest whole cent) equal to the quotient obtained by dividing (1) the exercise price per share of SCA common stock for such option immediately prior to the effective time of the first merger, by (2) the equity conversion ratio. UnitedHealth Group will convert SCA stock options into converted UnitedHealth Group options in such a manner as to ensure that the converted UnitedHealth Group options are not subject to Section 409A of the Code as a result of the assumption and conversion. The converted UnitedHealth Group options will have the same vesting schedule, exercisability terms and other terms and conditions as the corresponding SCA stock options, provided that the period following a change in control (as defined in the agreement governing any such awards) during which an individual's converted UnitedHealth Group options become fully vested in the event of certain terminations of employment shall be extended from two (2) years to four (4) years, and all references to the Company in SCA's equity incentive plan and award agreements will be references to UnitedHealth Group.

SCA RSUs

As described under *Interests of Certain Persons in the Transactions* Treatment of Equity and Equity-Based Awards SCA RSUs beginning on page 52, at the effective time of the first merger, by virtue of the first merger and without

any further action on the part of any holder thereof, the SCA RSUs outstanding

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immediately prior to the effective time of the first merger will be converted into restricted stock units of UnitedHealth Group common stock (converted RSUs) equal to the product (rounded down to the nearest whole number) of (A) the number of shares of SCA common stock subject to such SCA RSUs and (b) the equity conversion ratio. Any converted RSUs so issued will be subject to the same terms and conditions (including vesting terms) as were applicable under such SCA RSUs, provided that the period following a change in control (as defined in the agreement governing any such awards) during which an individual s converted RSUs become fully vested in the event of certain terminations of employment shall be extended from two (2) years to four (4) years, and all references to the Company in SCA s equity incentive plan and award agreements will be references to UnitedHealth Group.

Notwithstanding the above, if an SCA RSU is subject to an agreement with an individual holder in effect as of January 7, 2017 that provides that such SCA RSU shall be settled in connection with a change of control involving SCA (without the required occurrence of termination or any other event), such SCA RSU shall be settled in shares of SCA common stock immediately prior to the occurrence of the effective time of the first merger and the holder shall be treated as a shareholder and will receive the transaction consideration in respect thereof.

SCA Performance Share Awards

At the effective time of the first merger, by virtue of the first merger and without any further action on the part of any holder thereof, the SCA PSAs outstanding immediately prior to the effective time of the first merger shall be converted into that number of UnitedHealth Group performance share awards, rounded down to the nearest whole share (converted PSAs) equal to the product of (x) the number of shares of SCA common stock subject to such SCA PSAs immediately prior to the effectiveness of the first merger and (y) the equity conversion ratio. Other than the extension from two (2) years to four (4) years of the period following a change in control (as defined in the agreement governing any such awards) during which an individual s converted PSA becomes fully vested in the event of certain terminations of employment, each converted PSA shall continue to be governed by the same terms and conditions as were applicable to the applicable SCA PSA immediately prior to conversion, including the satisfaction of the performance criteria set forth in the SCA PSA, provided that all references to the Company in SCA s equity incentive plan and award agreements will be references to UnitedHealth Group.

Treatment of Teammate Stock Purchase Plan

Following the date of the merger agreement, SCA will take all actions necessary to ensure that no offering period under the TSPP will be authorized or commenced on or after the date of the merger agreement, except for the six-month offering period under the TSPP that commenced on January 1, 2017. If the first merger occurs prior to the end of the offering period in effect on the date of the merger agreement (i.e., June 30, 2017), each individual participating in such offering period shall receive notice of the transactions contemplated by the merger agreement and shall have an opportunity to terminate his or her outstanding purchase rights under the TSPP, and such offering period shall end prior to the date of the first merger. Each TSPP participant s accumulated contributions under the TSPP shall be used to purchase shares of SCA common stock in accordance with the TSPP as of the end of the offering period, and any remaining accumulated but unused payroll deductions shall be distributed to the relevant participants without interest as promptly as practicable. Additionally, the applicable purchase price for shares of SCA common stock will not be decreased below the levels set forth in the TSPP as of the date of the merger agreement and no individual will be permitted to increase his or her rate of contribution under the TSPP following the date of the merger agreement. SCA will terminate the TSPP and all rights under it prior to the effectiveness of the first merger.

Dissenting Shares

Shares of SCA's common stock which are issued and outstanding immediately prior to the effective time of the first merger and held by a holder of record who is entitled to demand appraisal rights under Section 262 of

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the DGCL, and who (i) has not tendered his, her or its shares of SCA common stock in the offer, (ii) has properly demanded appraisal of his, her or its shares of SCA common stock in accordance with Section 262 of the DGCL, and otherwise followed the procedures set forth in Section 262 of the DGCL and (iii) does not thereafter withdraw such demand for appraisal of such shares or otherwise lose his, her or its right to appraisal, in each case in accordance with the DGCL, shall not be converted into the right to receive the per share transaction consideration but instead such holder shall be entitled to have such shares appraised by the Delaware Court of Chancery and to receive in lieu of the consideration payable in the first merger payment of the fair value of such dissenting shares determined as of the effective time of the first merger exclusive of any element of value arising from the accomplishment or expectation of the first merger, together with a fair rate of interest, if any, as determined by such court in accordance with Section 262 of the DGCL. The fair value of any shares of SCA common stock could be based upon considerations other than, or in addition to, the price paid in the offer and the first merger and the market value of such shares. SCA stockholders should recognize that the value so determined could be higher or lower than, or the same as, the consideration payable in the offer and the first merger. Moreover, UnitedHealth Group and SCA may argue in an appraisal proceeding that, for purposes of such proceeding, the fair value of such shares of SCA common stock is less than such amount. In the event that any such stockholder fails to perfect, or otherwise waives, effectively withdraws or loses his or her right to appraisal under Section 262 of the DGCL, then the right of such holder to be paid the fair value of such holder's dissenting shares shall cease and such shares held by such stockholder will be deemed to have been converted into and shall be exchangeable solely for, the right to receive the per share transaction consideration. SCA has agreed to give UnitedHealth Group prompt notice of any demands SCA receives for appraisal of shares of SCA's common stock, withdrawals or attempted withdrawals of such demands and any other instruments served pursuant to Section 262 of the DGCL, and to provide UnitedHealth Group with the opportunity to direct any and all negotiations and proceedings with respect to such demands. SCA will not voluntarily make any payment to any dissenting stockholder with respect to, or settle or offer to settle, or approve the withdrawal of, any such demands for appraisal without the prior written consent of UnitedHealth Group.

Representations and Warranties

The parties made customary representations and warranties in the merger agreement that are subject, in some cases, to specified exceptions and qualifications contained in the merger agreement and, with respect to SCA's representations and warranties, the matters contained in confidential disclosure schedules delivered by SCA to UnitedHealth Group concurrently with the execution of the merger agreement (the SCA disclosure schedules). SCA's representations and warranties relate to, among other things:

due organization, existence, good standing and authority to carry on SCA's business as it is currently being conducted;

the accuracy and completeness of each of SCA's and SCA's subsidiaries certificate of incorporation, by-laws or equivalent constituent documents, and the absence of any violations of these documents;

SCA's and SCA's subsidiaries' capitalization;

SCA's corporate power and authority to execute, deliver, and consummate the transactions contemplated by the merger agreement, and the enforceability of the merger agreement against SCA, subject to certain

specified customary assumptions and exceptions;

the absence of violations of, or conflicts with, SCA's constitutional documents, applicable law and certain agreements as a result of SCA's entrance into and performance under the merger agreement, subject to certain specified standard qualifications and assumptions;

SCA's SEC reports (including all amendments) since December 31, 2013, the financial statements included therein, and the absence of any material outstanding or unresolved written comments from the SEC staff with respect to SCA's SEC reports;

compliance with applicable requirements of the Securities Act, the Exchange Act, and the Sarbanes-Oxley Act of 2002;

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SCA's disclosure controls and procedures and internal controls over financial reporting;

the absence of certain undisclosed liabilities;

regulatory matters;

the absence of a SCA material adverse effect (as defined below) since December 31, 2015, and the absence of specified actions since December 31, 2015 that would be in violation of certain interim operating covenants under the merger agreement if taken after date of the merger agreement;

information supplied by SCA for inclusion in the offer documents, the Schedule 14D-9 and the registration statement on Form S-4 of which this document is a part;

material contracts, the absence of any default or breach under any material contract, and the absence of any event, circumstance or condition which would give rise to a right to accelerate the maturity or performance of, or cancel, terminate or modify, any material contract;

employee benefit plans, ERISA and the applicability of the "safe harbor" provided pursuant to Rule 14d-10(d)(2) under the Exchange Act;

except as would not be material to SCA and its subsidiaries taken as a whole, the absence of actions, claims, suits or proceedings against SCA or any of its subsidiaries, and the absence of governmental investigations against SCA or any of its subsidiaries;

compliance with applicable federal, state, local or foreign laws, statutes, ordinances, rules, regulations, judgments, orders, injunctions, decrees or agency requirements or permits, including compliance with certain export laws and regulations by SCA and its subsidiaries, and including compliance with restrictions on certain payments by SCA and its subsidiaries, including those that would violate any provisions of the federal Foreign Corrupt Practices Act of 1977;

intellectual property;

privacy and data security;

taxes;

real property and tangible assets;

environmental matters;

labor matters;

possession of licenses and permits needed to carry out SCA's business and compliance therewith;

insurance matters;

the absence of any undisclosed broker's or finder's fees;

that no vote or consent of the SCA stockholders is needed to approve the merger agreement or the transactions contemplated thereby;

the SCA Board determination that (i) the terms of the transactions contemplated by the merger agreement, including the offer and the mergers, are fair to, and in the best interests of, SCA and its stockholders, and (ii) it is in the best interest of SCA and its stockholders to enter into the merger agreement, and the merger agreement is advisable, and the approval of the execution and delivery by SCA of the merger agreement (including the agreement of merger, as such term is used in Section 251 of the DGCL), the performance by SCA of its covenants and agreements contained in the merger agreement and the consummation of the transactions contemplated by the merger agreement, including the offer and the mergers, upon the terms and subject to the conditions contained in the merger agreement, and the recommendation that SCA stockholders accept the offer and tender their shares to the Offeror pursuant to the offer, unless the SCA Board changes its recommendation as permitted by the merger agreement;

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the receipt of a written opinion from J.P. Morgan to the effect that, as of the date of such opinion and based upon and subject to the various matters and limitations set forth in such opinion, the transaction consideration to be paid to the holders of SCA shares entitled to receive the transaction consideration pursuant to the merger agreement is fair, from a financial point of view, to such holders; and

that the SCA Board has taken all action so that the state anti-takeover statutes or regulations applicable to business combinations, including those imposed by Section 203 of the DGCL, are, and will be, inapplicable to the transactions contemplated by the merger agreement and the tender and support agreement, and that no anti-takeover statute or regulation would restrict, prohibit or otherwise be applicable with respect to the merger agreement, the tender and support agreement and the transactions contemplated in the merger agreement.

Many of SCA's representations and warranties are qualified by, among other things, exceptions relating to the absence of a SCA material adverse effect, which means any condition, fact, change, circumstance, event, occurrence, development or effect that individually or in the aggregate has had or would reasonably be expected to have a material adverse effect on the financial condition, business or results of operations of SCA and its subsidiaries, taken as a whole. However, no condition, fact, change, circumstance, event, occurrence, development or effect arising from or relating to any of the following will be taken into account in determining whether there has been or would reasonably be expected to be a SCA material adverse effect:

- (1) political or economic conditions, or securities, credit, financial or other capital markets conditions;
- (2) any condition or changes generally affecting SCA's industry or industries;
- (3) any decline in the market price or trading volume of the shares of SCA common stock on Nasdaq or a change in the credit rating of SCA or any of its subsidiaries (it being understood that the changes, effects or developments underlying such decline that are not otherwise excluded from the definition of an SCA material adverse effect may be taken into account);
- (4) any failure, in and of itself, by SCA or any of its subsidiaries to meet any internal or published projections, forecasts, estimates or predictions in respect of revenues, earnings or other financial or operating metrics for any period (it being understood that the changes, effects or developments underlying such failure that are not otherwise excluded from the definition of an SCA material adverse effect may be taken into account);
- (5) the execution and delivery of the merger agreement, the performance by any party of its obligations thereunder and consummation of the transactions or the public announcement or pendency of the offer or the mergers or any of the other transactions contemplated by the merger agreement, including the impact thereof on the relationships, contractual or otherwise, of SCA or any subsidiary of SCA with customers, suppliers, distributors, employees or any other third party (provided that this exception will not apply to any representation or warranty to the extent such representation or warranty addresses the consequences resulting from the execution and delivery of the merger agreement, the performance of a party's obligations thereunder or the consummation of the transactions contemplated thereby);

- (6) changes or proposed changes in GAAP or in applicable laws or the enforcement or interpretation thereof;
- (7) the outbreak or escalation of hostilities, any acts of war, sabotage, terrorism or military actions, or any escalation or worsening of any such hostilities, acts of war, sabotage, terrorism or military actions threatened or underway as of the date of the merger agreement;
- (8) any action taken at the request of UnitedHealth Group, the Offeror or Merger Sub in accordance with the merger agreement;
- (9) the identity of, or any facts or circumstances relating to, UnitedHealth Group, the Offeror, Merger Sub or any of their respective affiliates; or
- (10) certain matters set forth in the SCA disclosure schedules

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except, in the case of items (1) (2), (6) and (7) above, to the extent that such condition, fact, change, circumstance, event, occurrence, development or effect has a disproportionate adverse effect on SCA and its subsidiaries, taken as a whole, relative to the adverse effect that it has on participants in SCA's industry or industries.

The merger agreement also contains customary representations and warranties made by UnitedHealth Group that are subject to specified exceptions and qualifications contained in the merger agreement. The representations and warranties of UnitedHealth Group, the Offeror and Merger Sub to SCA under the merger agreement, relate to, among other things:

UnitedHealth Group's, the Offeror's and Merger Sub's due organization, existence, good standing and authority to carry on their business as it is currently being conducted;

the corporate power and authority of UnitedHealth Group, the Offeror and Merger Sub to execute, deliver, and consummate the transactions contemplated by the merger agreement, and the enforceability of the merger agreement against UnitedHealth Group, the Offeror and Merger Sub, subject to certain specified customary assumptions and exceptions;

UnitedHealth Group's capitalization and the Offeror's and Merger Sub's capitalization;

the absence of contraventions of, or conflicts with, the constitutional documents of UnitedHealth Group or any of its subsidiaries, applicable law and certain agreements as a result of UnitedHealth Group's, the Offeror's or Merger Sub's execution and delivery of and consummation of the transactions contemplated by the merger agreement, subject to certain specified standard qualifications and assumptions;

UnitedHealth Group's SEC reports (including all exhibits, supplements and schedules) since December 31, 2013, the financial statements included therein, and the absence of any outstanding or unresolved written comments from the SEC staff with respect to UnitedHealth Group's SEC reports;

compliance with applicable requirements of the Securities Act, the Exchange Act, and the Sarbanes-Oxley Act of 2002;

UnitedHealth Group's disclosure controls and procedures and internal controls over financial reporting;

the absence of undisclosed liabilities;

the absence of a UnitedHealth Group material adverse effect since December 31, 2015;

except as would not be material to UnitedHealth Group and its subsidiaries taken as a whole, the absence of actions, claims, suits or proceedings against UnitedHealth Group or any of its subsidiaries, and the absence of governmental investigations against UnitedHealth Group or any of its subsidiaries;

compliance with laws;

information supplied by UnitedHealth Group for inclusion in the offer documents, the Schedule 14D-9 and the registration statement on Form S-4 of which this document is a part;

the absence of undisclosed broker's or finder's fees;

sufficiency of funds;

tax matters; and

the absence of beneficial ownership of SCA's common stock by UnitedHealth Group or any of its subsidiaries as of and for the three years prior to the date of the merger agreement.

Many of the representations and warranties of UnitedHealth Group are qualified by, among other things, exceptions relating to the absence of a UnitedHealth Group material adverse effect which means any condition, fact, change, circumstance, event, occurrence, development or effect that individually or in the aggregate has had

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or would reasonably be expected to (a) prevent or materially impede, materially interfere with or materially delay the consummation by UnitedHealth Group, the Offeror or Merger Sub of the transactions or (b) have a material adverse effect on the financial condition, business or results of operations of UnitedHealth Group and its subsidiaries, taken as a whole. However, no condition, fact, change, circumstance, event, occurrence, development or effect arising from or relating to any of the following will be taken into account in determining whether there has been or would reasonably be expected to be a UnitedHealth Group material adverse effect:

- (1) political or economic conditions, or securities, credit, financial or other capital markets conditions;
- (2) any condition or changes generally affecting UnitedHealth Group's industry or industries;
- (3) any decline in the market price or trading volume of the shares of UnitedHealth Group common stock on the NYSE or a change in the credit rating of UnitedHealth Group or any of its subsidiaries (provided that this exception does not present or otherwise affect a determination that any change, effect or development underlying such decline or change has resulted in a UnitedHealth Group material adverse effect);
- (4) any failure, in and of itself, by UnitedHealth Group or any of its subsidiaries to meet any internal or published projections, forecasts, estimates or predictions in respect of revenues, earnings or other financial or operating metrics for any period (provided that this exception does not present or otherwise affect a determination that any change, effect or development underlying such decline or change has resulted in or contributed to a UnitedHealth Group material adverse effect);
- (5) the execution and delivery of the merger agreement, the performance by any party of its obligations thereunder and consummation of the transactions or the public announcement or pendency of the offer or the mergers or any of the other transactions contemplated by the merger agreement, including the impact thereof on the relationships, contractual or otherwise, of UnitedHealth Group or any subsidiary of UnitedHealth Group with customers, suppliers, distributors, employees or any other third party (provided that this exception does not apply to any representation or warranty to the extent such representation or warranty addresses the consequences resulting from the execution and delivery of the merger agreement, the performance of a party's obligations thereunder or the consummation of the transactions contemplated thereby);
- (6) changes or proposed changes in GAAP or in applicable law or the enforcement or interpretation thereof;
- (7) the outbreak or escalation of hostilities, any acts of war, sabotage, terrorism or military actions, or any escalation or worsening of any such hostilities, acts of war, sabotage, terrorism or military actions threatened or underway as of the date of the merger agreement;
- (8) any action taken at the request of SCA or any of its subsidiaries in accordance with the merger agreement; or

(9) the identity of, or any facts or circumstances relating to, SCA, its subsidiaries or any of their respective affiliates.

except, in the case of items (1), (2), (6) and (7) above, to the extent that such condition, fact, change, circumstance, event, occurrence, development or effect has a disproportionate adverse effect on UnitedHealth Group and its subsidiaries, taken as a whole, relative to the adverse effect that it has on participants in UnitedHealth Group's industry or industries.

Unless expressly provided otherwise, the representations, warranties, covenants or agreements in the merger agreement or in any instrument delivered pursuant to the merger agreement of each of SCA, UnitedHealth Group, the Offeror and Merger Sub will not survive the effective time of the first merger or the termination of the merger agreement pursuant to its terms.

Table of Contents***Conduct of SCA's Business Pending the First Merger***

SCA has agreed to certain covenants in the merger agreement restricting the conduct of its business from the date of the merger agreement until the earlier of the effective time of the first merger and the termination of the merger agreement in accordance with its terms. In general, except as (i) may be required by law, (ii) contemplated under the merger agreement, (iii) set forth in the SCA disclosure schedules, or (iv) permitted pursuant to UnitedHealth Group's written consent (not to be unreasonably withheld, conditioned or delayed), SCA and its subsidiaries have agreed that SCA will and will cause its subsidiaries to conduct the business of SCA and its subsidiaries in the ordinary course of business in all material respects, and to the extent consistent therewith, use commercially reasonable efforts to maintain and preserve intact SCA's business organization, keep available the services of key employees and preserve their relationships with government entities and partners, health systems, health plans, medical groups, payors, customers, suppliers, distributors and licensors having significant business dealings with SCA and SCA's subsidiaries, and SCA and SCA's subsidiaries will not consent to allow any of SCA's facility entities to take any action inconsistent with the foregoing.

SCA has also agreed that, except as (i) may be required by applicable law, (ii) required or expressly permitted under the merger agreement, (iii) set forth in SCA disclosure schedules, or (iv) permitted pursuant to UnitedHealth Group's prior written consent, from the date of the merger agreement until the earlier of the effective time of the first merger and the termination of the merger agreement in accordance with its terms, neither SCA nor any of its subsidiaries will, and will not consent to allow certain other related entities of SCA to, subject to certain specified exceptions:

amend or otherwise change its certificate of incorporation or bylaws, amend or otherwise change the organizational documents of its subsidiaries in any material respect, or amend or otherwise change the organizational documents of certain other related entities of SCA;

split, combine or reclassify any of its capital stock;

make, declare or pay any dividend, or make any other distribution on, or redeem, purchase or otherwise acquire, any shares of its capital stock, or any other securities or obligations convertible into or exchangeable for any shares of its capital stock, except for (a) by SCA subsidiaries to SCA or other SCA subsidiaries, (b) dividends paid by certain related entities of SCA in the ordinary course of business in accordance with its respective organizational documents, (c) the acceptance of shares of SCA common stock as payment for the exercise price of SCA options or withholding taxes in connection with the exercise of SCA options or the vesting or settlement of SCA RSUs in accordance with the terms of SCA's stock plans, (d) in connection with the SCA TSPP in accordance with its terms, or (e) the repurchase of shares of SCA common stock in connection with a forfeiture of SCA stock awards or the termination of a SCA stock award holder's position with SCA;

grant any SCA stock awards or other equity-based awards or interests, or grant any individual, corporation or other entity any right to acquire any shares of its capital stock, in each case, other than as permitted under the merger agreement;

issue, sell, deliver, pledge, dispose of, encumber, grant or otherwise permit to become outstanding any additional shares of its capital stock or securities convertible or exchangeable into, or exercisable for, any shares of its capital stock or any options, warrants, or other rights of any kind to acquire any shares of its capital stock, except (a) pursuant to the exercise of SCA options or the settlement of SCA RSUs outstanding as of the date of the merger agreement in accordance with their terms, (b) in connection with the SCA TSPP in accordance with its terms, or enter into any agreement, understanding or arrangement with respect to the sale or voting of its capital stock or equity interests, (c) by a wholly owned subsidiary of SCA to or in favor of SCA or another wholly owned subsidiary of SCA, and (d) as otherwise permitted in accordance with the merger agreement;

adopt a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or other reorganization with respect SCA, any of its material subsidiaries or certain material related entities of SCA;

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incur, assume, acquire, endorse, guarantee or otherwise become liable for any indebtedness for borrowed money (other than the assumption, endorsement, guarantee of or other liability for any existing indebtedness for borrowed money of a SCA subsidiary) or issue or sell any debt securities or calls, options, warrants or other rights to acquire any debt securities, except for (a) indebtedness for borrowed money in an aggregate principal amount not to exceed \$10,000,000 outstanding at any time, (b) any indebtedness for borrowed money among SCA and its wholly owned subsidiaries or among wholly owned subsidiaries of SCA, (c) incurring, assuming, acquiring, endorsing or guaranteeing any existing indebtedness of any acquisition target in connection with any transaction permitted by the terms of the merger agreement, or (d) indebtedness for borrowed money incurred in the ordinary course of business under an existing credit facility (as in effect on the date of the merger agreement);

make any loans or advances to any other person in excess of \$1,000,000 in the aggregate, except for (a) loans or advances among SCA and any of its subsidiaries in the ordinary course of business, and (b) advances to directors or employees in the ordinary course of business to cover costs and expenses incurred in their respective capacities as such;

(a) sell, transfer, lease, rent, license, assign, abandon, mortgage, encumber or otherwise dispose of any of its properties, legal entities or assets to any person other than sales, transfers, leases, rents, licenses, assignments, abandonments, mortgages, encumbrances or dispositions (i) in the ordinary course of business consistent with past practice, (ii) on an intercompany basis among SCA and its subsidiaries, or (iii) mortgages or encumbrances on properties, legal entities or properties that are not material or (b) cancel, release or assign any material indebtedness of any such person owed to it, in the case of each of clause (a) and clause (b) other than permitted liens;

(a) acquire any other person for consideration in excess of \$5,000,000 in any transaction or series of related transactions or any material assets or properties of any other person, or (b) make any material investment in any other person either by purchase of stock or securities, contributions to capital, property transfers or purchase of property or assets of any person other than (i) a wholly owned subsidiary of SCA or (ii) as required by the terms of any contract in effect as of the date of the merger agreement (other than letters of intent);

make any capital expenditures in excess of its 2017 capital expenditure budget as disclosed to UnitedHealth Group prior to the date of the merger agreement, except that, subject to prior consultation with UnitedHealth Group, SCA and its subsidiaries are permitted to make emergency capital expenditures in any commercially reasonable amount that SCA reasonably determines is necessary to maintain its ability to operate its businesses in the ordinary course of business;

except in the ordinary course of business, (a) terminate, materially amend, or waive any material right under, any SCA material contract or (b) enter into any contract that would constitute a SCA material contract if it were in effect on the date of the merger agreement;

except as required by applicable law or the terms of SCA benefit plan in effect on the date of the merger agreement, or as required or permitted by the merger agreement, (a) establish, adopt, enter into, amend or terminate any collective bargaining agreement or SCA benefit plan or any plan that would be a SCA benefit plan if in effect on the date the merger agreement, (b) increase in any manner the compensation or benefits of any of the current or former directors, officers, employees, partners, consultants, independent contractors or other service providers of SCA or its subsidiaries, in each case other than in the ordinary course of business, (c) pay or award, or commit to pay or award, any bonuses or incentive compensation, (d) accelerate any rights or benefits, other than in the ordinary course of business and consistent with past practice, (e) establish or fund any rabbi trust or other funding arrangement in respect of any SCA benefit plan, (f) grant or amend any SCA stock awards or other equity-based awards, or (g) hire, or terminate (other than for cause) the employment or services of, any officer, employee, independent contractor or consultant who has annualized base compensation greater than \$300,000; however, SCA may establish terms and conditions for the payment of cash bonuses in respect of 2017 to the extent that the bonus targets, metrics, degree of attainability and reliance on

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subjective performance criteria are substantially comparable to such awards made in calendar year 2016 (with reasonable adjustments to account for changes in business objectives) and are reflected at 100% of target payout in SCA's 2017 budget provided to UnitedHealth Group in connection with the transactions contemplated by the merger agreement;

implement or adopt any change in its financial accounting principles, practices or methods, other than as may be required by GAAP or applicable law, each as concurred with by SCA's independent registered public accountants;

settle or compromise any legal or administrative proceeding, claim, suit, arbitration, mediation, charge, complaint, litigation or similar action, except for settlements or compromises that (a) with respect to the payment of monetary damages, involve monetary remedies with a value not in excess of \$1,000,000 (net of any amounts covered by insurance or reserved for in the most recent balance sheet included in the SCA financial statements as of the date of the merger agreement), individually or in the aggregate or (b) do not impose any material restriction on SCA's business or the businesses of its subsidiaries;

except in the ordinary course of business, make, change or revoke any material tax election, change or adopt any annual tax accounting period or adopt or change any material method of tax accounting, file any amended tax return, enter into any closing agreement within the meaning of Section 7121 of the internal revenue code (or any analogous or similar provision of state, local or foreign law), request any tax ruling from any taxing authority, settle or compromise any material tax liability or any audit, examination or other proceeding relating to a material amount of taxes, or surrender any claim for a material refund of taxes;

enter into any new line of business;

other than in the ordinary course of business consistent with past practice, reduce the amount of insurance coverage or fail to renew or replace any existing insurance policies;

amend any material permit in a manner that adversely impacts the ability to conduct its business, or terminate or allow to lapse any material permits in a manner that adversely impacts its ability to conduct its business;

cancel or allow to lapse or otherwise abandon any material intellectual property;

amend or modify the engagement letter of SCA's financial advisor in a manner that increases the fee or commission payable by SCA or any of its subsidiaries; or

agree to take or authorize, or make any binding commitment to take, any of the foregoing actions.

Access

The merger agreement provides that, prior to the effective time of the first merger, SCA will, upon reasonable advance notice, afford UnitedHealth Group and its employees, accountants, consultants and legal counsel, financial advisors, financing sources, tax advisors, agents and other representatives reasonable access during normal business hours (and in a manner that does not unreasonably interfere with their respective businesses) to SCA's and its subsidiaries' and facility entities' personnel, properties, contracts, books and records, tax returns, representatives, accountant work papers, permits, licenses and any report, schedule or other document filed or received by it pursuant to the requirements of applicable law and will make available all information concerning its business, properties and personnel as UnitedHealth Group may reasonably request.

However, SCA will not be required to provide access to or make available to any person any document or information that, in SCA's reasonable judgment, (i) would violate any of its obligations with respect to any applicable law or order, (ii) would violate any of SCA's material obligations with respect to confidentiality or the terms of any contract (provided that SCA will use reasonable best efforts to provide, or allow such access or

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disclosure to, any such document or information) or (iii) is subject to any attorney-client or work-product privilege (provided that SCA will use reasonable best efforts to allow such access or disclosure in a manner that does not result in loss or waiver of such privilege, including, but not limited to, entering into appropriate common interest or similar agreements).

All information provided in connection with the merger agreement and the transactions contemplated thereby will be subject to the confidentiality agreement between UnitedHealth Group and SCA.

Registration Statement; Schedule TO

Concurrently with the filing of certain specified offer documents, UnitedHealth Group agreed to prepare and file a registration statement on Form S-4 with the SEC.

UnitedHealth Group and the Offeror shall, as soon as practicable on the commencement date of the offer, file a tender offer statement on Schedule TO with the SEC, which will contain certain specified offer documents, deliver a copy of the offer statement on Schedule TO to SCA at its principal executive offices, give telephonic notice of certain information, and mail a copy of the offer statement on Schedule TO, to Nasdaq, and, subject to SCA's compliance with certain obligations, cause these offer documents to be disseminated to holders of SCA's common stock as required by applicable law.

UnitedHealth Group will, with SCA's reasonable cooperation, use reasonable best efforts to (i) have the registration statement declared effective under the Securities Act as promptly as practicable after its filing, (ii) ensure that the registration statement and offer documents comply in all material respects with applicable law, and (iii) keep the registration statement effective for so long as necessary to complete the first merger. SCA will promptly furnish in writing to UnitedHealth Group and the Offeror information concerning SCA, its subsidiaries, the facility entities and the holders of shares of SCA common stock that is required by applicable law or otherwise reasonably advisable to be included in the offer documents and the registration statement. Each of UnitedHealth Group, the Offeror and SCA will promptly correct any information provided by it or any of its respective representatives for use in the offer documents and the registration statement if and to the extent that such information has become false or misleading in any material respect. UnitedHealth Group and the Offeror will, with SCA's cooperation, take all reasonable steps to cause the offer documents and the registration statement, as so corrected, to be filed with the SEC and to be disseminated to the holders of shares of SCA common stock, in each case as and to the extent required by applicable law, or by the SEC or its staff or Nasdaq. Each of UnitedHealth Group and the Offeror has agreed to (a) provide SCA and its counsel with reasonable opportunity to review and comment on the registration statement and the offer documents (and any amendments or supplements to any of the foregoing) prior to filing with the SEC, and give reasonable consideration to any timely comments thereon made by SCA or its counsel, (b) promptly notify SCA of the receipt of, and promptly provide SCA with copies of, all comments received from, and all correspondence with, the SEC or its staff with respect to any offer document or the registration statement, (c) provide SCA and its counsel with a reasonable opportunity to review and comment on any proposed correspondence between UnitedHealth Group or any of its representatives on the one hand and the SEC or its staff on the other hand with respect to any offer document or the registration statement and give reasonable consideration to any timely comments thereon made by SCA or its counsel, and (d) promptly provide SCA with final copies of any correspondence sent by it or any of its representatives to the SEC or its staff with respect to any offer document or the registration statement, and of any amendments or supplements to any offer document or the registration statement. UnitedHealth Group will also take any other action required to be taken under the Securities Act, the Exchange Act, any applicable foreign or state securities or blue sky laws and the rules and regulations thereunder in connection with the issuance of the UnitedHealth Group common stock in the offer or the first merger, and will pay all expenses related thereto, and SCA will timely furnish all information concerning SCA and the holders of SCA common stock as may be reasonably requested in connection

with any such actions.

Table of Contents***Schedule 14D-9; Assistance with the Offer***

Concurrently with the filing of the Schedule TO by UnitedHealth Group and the Offeror, SCA shall file with the SEC a Solicitation/Recommendation Statement on Schedule 14D-9, containing, among other things, the recommendation of the SCA Board that the holders of SCA common stock accept the offer and tender their shares of SCA common stock pursuant to the offer, unless and until such recommendation is changed in accordance with the terms of the merger agreement. SCA has agreed to, promptly after commencement of the offer, cause the Schedule 14D-9 to be mailed to the holders of shares of SCA common stock together with a notice of appraisal rights promptly after commencement of the offer.

SCA shall cause the Schedule 14D-9 to comply as to form and substance in all material respects with applicable requirements of the Exchange Act and other applicable law. To the extent requested by SCA, UnitedHealth Group will cause the Schedule 14D-9 to be mailed or otherwise disseminated to the holders of shares of SCA common stock (to the extent required by applicable law) together with the offer documents. Each of UnitedHealth Group and the Offeror will promptly furnish in writing to SCA all information concerning UnitedHealth Group and the Offeror that is required by applicable law or otherwise reasonably advisable to be included in the Schedule 14D-9. Each of SCA, UnitedHealth Group and the Offeror will correct promptly any information provided by it or any of its representatives for use in the Schedule 14D-9 if and to the extent that such information has become false or misleading in any material respect. SCA has further agreed to, with UnitedHealth Group's and the Offeror's reasonable cooperation, take all reasonable steps to cause the Schedule 14D-9, as corrected, to be filed with the SEC and disseminated to holders of shares of SCA common stock in each case as and to the extent required by applicable laws or by the SEC or its staff. Unless and until SCA's board of directors has effected a change of recommendation pursuant to the merger agreement, SCA has agreed to (a) provide UnitedHealth Group and its counsel with a reasonable opportunity to review and comment on the Schedule 14D-9 (and any amendments or supplements to the foregoing) before it is filed with the SEC, and give reasonable consideration to any timely comments thereon made by UnitedHealth Group or its counsel, (b) promptly notify UnitedHealth Group of the receipt of, and promptly provide UnitedHealth Group copies of, all comments from, and all correspondence with, the SEC or its staff with respect to the Schedule 14D-9, (c) provide UnitedHealth Group and its counsel with a reasonable opportunity to review and comment on any proposed correspondence between SCA or any of its representatives on the one hand and the SEC or its staff on the other hand with respect to the Schedule 14D-9 and give reasonable consideration to any comments thereon made by UnitedHealth Group or its counsel and (d) promptly provide UnitedHealth Group with final copies of any correspondence sent by it or any of its representatives to the SEC or its staff with respect to the Schedule 14D-9, and of any amendments or supplements to the Schedule 14D-9. Notwithstanding anything to the contrary set forth above, but subject to the terms of the merger agreement, SCA may amend or supplement the Schedule 14D-9 in connection with a change in recommendation effected by SCA's board of directors pursuant to the merger agreement without the prior consent of UnitedHealth Group and without providing UnitedHealth Group or its counsel an opportunity to review or comment thereon.

In connection with the offer, SCA has also agreed to, or to cause its transfer agent to, promptly furnish or cause to be furnished to UnitedHealth Group and the Offeror with such assistance and such information as UnitedHealth Group, the Offeror or any of their representatives reasonably requests in order to disseminate and otherwise communicate the offer and the mergers to the record and beneficial holders of shares of SCA common stock, including a list, as of the most recent practicable date, of the stockholders of SCA, mailing labels and any available listing or computer files containing the names and addresses of all record and beneficial holders of shares of SCA common stock, and lists of security positions of shares of SCA common stock held in stock depositories (including updated lists of stockholders, mailing labels, listings or files of securities positions), in each case as of the most recent practicable date, and shall promptly furnish UnitedHealth Group and the Offeror with such additional information and assistance (including updated lists of the record and beneficial holders of shares of SCA common stock, mailing labels and lists of security

positions) as UnitedHealth Group and the Offeror or their agents may reasonably request in order to communicate the offer and the mergers to the holders of shares of SCA common stock. Subject to applicable laws, and except for such steps as are necessary to

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disseminate the offer documents and any other documents necessary to consummate the offer and the mergers, UnitedHealth Group and the Offeror (and their respective agents) must hold the information contained in any such lists of stockholders, mailing labels and listings or files of securities positions in confidence, use such information only in connection with the offer and the mergers, and if the merger agreement is terminated, promptly return (or use their reasonable efforts to cause their representatives to return or destroy) any and all copies and any extracts or summaries from such information then in their possession or control.

No Solicitation of Acquisition Proposals

Under the terms of the merger agreement, subject to certain exceptions described below, SCA has agreed that it will not, and will cause each of its subsidiaries and its and their respective officers, directors, managers and employees, and will instruct and cause its and its subsidiaries' respective agents, financial advisors, investment bankers, attorneys and accountants (which officers, directors, managers, employees, agents, financial advisors, investment bankers, attorneys and accountants in their capacity as such are referred to in this section of this prospectus/offer to exchange as the representatives) not to, directly or indirectly through intermediaries:

solicit, initiate, knowingly encourage (including by way of furnishing non-public information relating to SCA or any of its subsidiaries) or knowingly facilitate any inquiries regarding, or the making of any proposal or offer that constitutes, or could reasonably be expected to lead to, a takeover proposal;

conduct, engage in, continue or otherwise participate in any discussions or negotiations regarding, or furnish to any other person any information in connection with, or for the purpose of knowingly encouraging or knowingly facilitating, a takeover proposal;

approve, endorse, recommend or enter into, or propose to approve, endorse, recommend or enter into, any letter of intent, term sheet, acquisition agreement, merger agreement, joint venture agreement or similar document, agreement, commitment or agreement in principle (whether written, oral, binding or non-binding) with respect to a takeover proposal;

amend or grant any waiver or release under any standstill or similar agreement with respect to any class of equity securities of SCA or any of its subsidiaries;

approve any transaction involving SCA or any of its subsidiaries under or any third party (other than UnitedHealth Group or the Offeror) becoming an interested stockholder of SCA or any of its subsidiaries under Section 203 of the DGCL or SCA's organizational documents (except a transaction involving UnitedHealth Group, the Offeror or their affiliates); or

resolve to do any of the foregoing.

SCA has also agreed that upon execution of the merger agreement, it will, and will cause each of its subsidiaries and its and their respective representatives, to immediately cease and cause to be terminated any solicitation, discussions or negotiations with any persons (other than UnitedHealth Group and its representatives) that are ongoing with respect

to a takeover proposal.

Under the merger agreement, SCA is obligated to notify UnitedHealth Group in writing promptly (and in no event later than 24 hours after receipt) after it or any of its representatives receives a takeover proposal or a request for information relating to SCA or its subsidiaries that contemplates a takeover proposal. Such notice to UnitedHealth Group must include the identity of the person making the takeover proposal and the material terms and conditions of the takeover proposal (including an unredacted copy of the takeover proposal if it is in writing and if not, a description of the terms thereof). SCA must promptly (and in no event later than 24 hours after receipt) provide UnitedHealth Group with copies of any proposals, indications of interest and/or draft agreements relating to such takeover proposal and must provide UnitedHealth Group with at least 2 business days prior written notice (or such lesser notice as is provided to member of SCA's board of directors) of any meeting of SCA's board of directors at which such takeover proposal is reasonably expected to be considered.

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Notwithstanding anything in the merger agreement to the contrary, SCA may (a) furnish information to a person making a takeover proposal, including non-public information, pursuant to an executed confidentiality agreement (an acceptable confidentiality agreement) containing terms that are not materially less restrictive with respect to the other party than those contained in the confidentiality agreement between SCA and UnitedHealth Group) and provided that SCA (i) promptly (and in no event later than 24 hours after receipt) provides a copy of such confidentiality agreement to UnitedHealth Group and (ii) concurrently makes available to UnitedHealth Group any nonpublic information it provides the other party or its representatives that UnitedHealth Group has not previously received and (b) engage in discussions and negotiations with the person making the takeover proposal, if at any time after the date of the merger agreement and prior to the Offeror's acceptance of shares tendered in the offer (x) SCA or any of its representatives receives a bona fide written takeover proposal from any person that did not result from a breach of SCA's non-solicitation obligations under the merger agreement; and (y) the SCA Board determines in good faith after consultation with its independent financial advisor and outside legal counsel that such takeover proposal const