



DEPARTMENT OF COMMERCE & INSURANCE

P.O. Box 690, Jefferson City, Mo. 65102-0690

ORDER

After full consideration and review of the report of the financial examination of UnitedHealthcare of the Midwest, Inc. for the period ended December 31, 2024, together with any written submissions or rebuttals and any relevant portions of the examiner's workpapers, I, Angela L. Nelson, Director of the Missouri Department of Commerce and Insurance pursuant to section 374.205.3(3)(a), RSMo, adopt such examination report. After my consideration and review of such report, workpapers, and written submissions or rebuttals, I hereby incorporate by reference and deem the following parts of such report to be my findings and conclusions to accompany this order pursuant to section 374.205.3(4), RSMo: summary of significant finding, company history, management and control, territory and plan of operation, growth of company and loss experience, reinsurance, accounts and records, financial statements, comments on financial statement items, financial statement changes resulting from examination, and summary of recommendations.

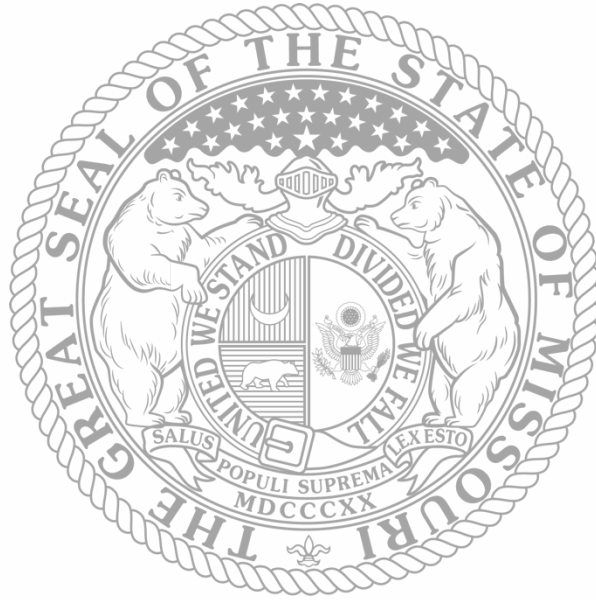
Based on such findings and conclusions, I hereby ORDER that the report of the financial examination of UnitedHealthcare of the Midwest, Inc. as of December 31, 2024, be and is hereby ADOPTED as filed and for UnitedHealthcare of the Midwest, Inc. to take the following action or actions, which I consider necessary to cure any violation of law, regulation or prior order of the Director revealed by such report: (1) account for its financial condition and affairs in a manner consistent with the Director's findings and conclusions.

So ordered, signed and official seal affixed this 8th day of July, 2026.



A handwritten signature in blue ink, reading "Angela L. Nelson", is written over a horizontal line.

Angela L. Nelson, Director
Department of Commerce and Insurance



REPORT OF
FINANCIAL EXAMINATION OF

UNITEDHEALTHCARE OF THE MIDWEST, INC.

AS OF
DECEMBER 31, 2024

STATE OF MISSOURI
DEPARTMENT OF COMMERCE & INSURANCE

JEFFERSON CITY, MISSOURI

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Jefferson City, MO
May 11, 2026

Honorable Angela L. Nelson, Director
Missouri Department of Commerce and Insurance
301 West High Street, Room 530
Jefferson City, Missouri 65101

Director Nelson:

In accordance with your financial examination warrant, a full-scope financial examination has been made of the records, affairs, and financial condition of

UnitedHealthcare of the Midwest, Inc. (NAIC #96385)

hereinafter referred to as such, as UHCMW, or as the Company. Its administrative office is located at 13655 Riverport Drive, Maryland Heights, MO 63043, telephone number (314) 592-7000. The fieldwork for this examination began on June 3, 2025, and concluded on the above date.

SCOPE OF EXAMINATION

Period Covered

The Missouri Department of Commerce and Insurance (Department) has performed a multi-state financial examination of UnitedHealthcare of the Midwest, Inc. The last examination of the Company by the Department covered the period of January 1, 2015, through December 31, 2019. The current examination covers the period of January 1, 2020, through December 31, 2024, as well as a review of any material transactions and events occurring subsequent to the examination period through the date of this report.

Procedures

We conducted our examination in accordance with the National Association of Insurance Commissioners (NAIC) *Financial Condition Examiners Handbook (Handbook)*, except where practices, procedures, and applicable regulations of the Department or statutes of the state of Missouri prevailed. The *Handbook* requires that we plan and perform the examination to evaluate the financial condition, assess corporate governance, identify current and prospective risks of the Company, and evaluate system controls and procedures used to mitigate those risks. An examination also includes the identification and evaluation of significant risks that could cause the Company's surplus to be materially misstated, both on a current and prospective basis.

This examination also included a review of significant estimates made by management and evaluation of management's compliance with Statutory Accounting Principles. The examination does not attest to the fair presentation of the financial statements included herein. If, during the course of the examination an adjustment is identified, the impact of such adjustment will be documented separately following the Company's financial statements.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process. Those activities considered in the examination as key to UHCMW included Investments, Related Parties, Reserves and Claims Handling, Underwriting, Premiums,

Reinsurance, and Capital and Surplus. The examination also included a review and evaluation of information technology general controls.

This examination was conducted as part of a coordinated examination of the UnitedHealth Group, which consists of 91 insurance companies domiciled in numerous states. The Connecticut Insurance Department is the lead state regulator for the group. Along with Missouri, fifteen other states participated in the coordinated examination.

This examination report includes significant findings of fact, as mentioned in Section 374.205 RSMo (Examination, director may conduct, when...) and general information about the Company and its financial condition. There may be other items identified during the examination that, due to their nature (e.g., subjective conclusions, proprietary information, etc.), are not included within the examination report but are separately communicated to other regulators and/or the Company.

SUMMARY OF SIGNIFICANT FINDINGS

There were no material adverse findings, significant non-compliance issues or material changes to the financial statements noted during the examination.

COMPANY HISTORY

General

The Company incorporated as Sanus Health Plan, Inc. on February 26, 1985, and began operations on August 1, 1985. On January 3, 1995, Sanus Health Plan, Inc. became a subsidiary of UnitedHealth Group Incorporated (UHG). On October 1, 1996, Physicians Health Plan of Greater St. Louis, Inc., a subsidiary of UHG merged with the Company. The surviving entity became UnitedHealthcare of the Midwest, Inc.

On April 1, 1998, United HealthCare Services, Inc. (UHS) became the Company's immediate parent. On June 30, 2000, UHS contributed its ownership interest in UnitedHealthcare of the Midwest, Inc. to UnitedHealthcare, Inc.

Mergers, Acquisitions, and Major Corporate Events

There were no mergers, acquisitions, or major corporate events during the examination period.

Dividends and Capital Contributions

The Company paid dividends to its shareholder as indicated in the table below. The dividends paid in all years included amounts deemed extraordinary. The Department approved all extraordinary dividend amounts.

Year	Amount
2020	\$ 43,200,000
2021	85,000,000
2022	135,000,000
2023	75,000,000
2024	50,000,000
Total	\$ 388,200,000

The Company received no capital contributions during the current examination period.

Surplus Notes

There were no surplus notes issued or outstanding during the current examination period.

MANAGEMENT AND CONTROL**Board of Directors**

The management of the Company is vested in a Board of Directors that are elected by the shareholder. The Company's Bylaws specify that there shall be three or more Board members. The Board of Directors elected and serving as of December 31, 2024, were as follows:

Name and Address

Jenny L. Ismert
Denver, CO

Christopher J. Gard
Shawnee, Kansas

Gloria M. Sargent
Saint Charles, MO

Principal Occupation and Business Affiliation

Executive
UnitedHealthcare of the Midwest, Inc.

Executive
UnitedHealthcare of the Midwest, Inc.

Executive
UnitedHealthcare of the Midwest, Inc.

Senior Officers

The officers elected and serving, as of December 31, 2024, were as follows:

Name

Jenny L. Ismert
Christopher J. Gard
Marilyn V. Hirsch
Bryn Seam
Heather A. Lang
Jessica L. Zuba
Nyle B. Cottingham
Meeta P. Shah, M.D.

Office

President, Board Chair
Chief Financial Officer
Treasurer
Secretary
Assistant Secretary
Assistant Secretary
Vice President
Medical Director

Principal Committees

The Bylaws authorize the Board of Directors to establish committees. There were no committees established or standing during the examination period. The Central Region Audit Committee of the Board of Directors of UHS serves as the Company's audit committee.

Corporate Records

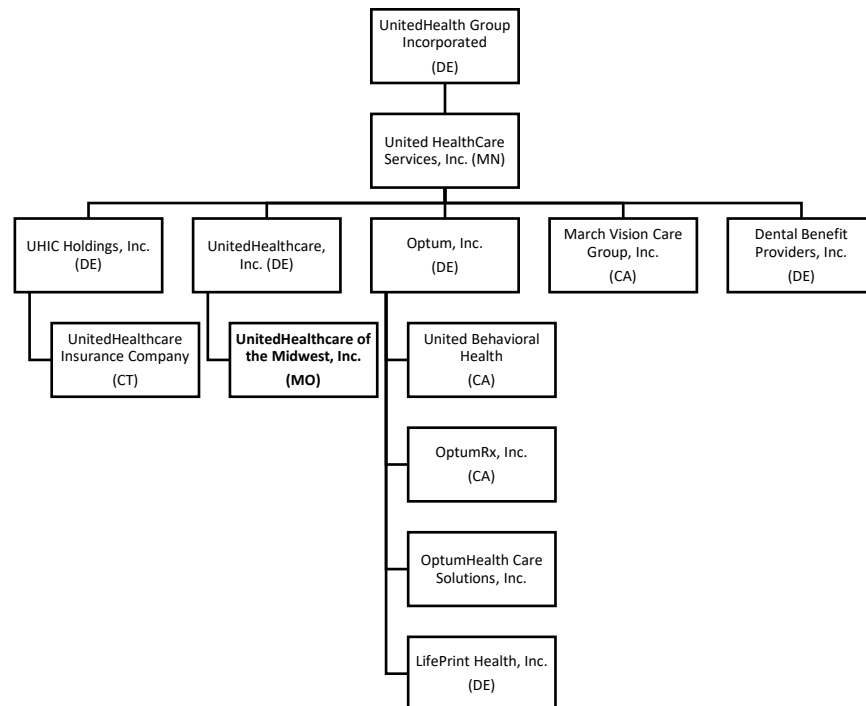
The Company's Articles of Incorporation and Bylaws were reviewed. There were no revisions to either document during the examination period. The minutes of the Board of Directors and shareholder meetings were reviewed for the period under examination.

Holding Company, Subsidiaries, and Affiliates

UHCMW is a member of an Insurance Holding Company System, as defined by Section 382.010 RSMo (Definitions). The Company is a wholly owned subsidiary of UnitedHealthcare, Inc. UnitedHealthcare, Inc. is a wholly owned subsidiary of UHS. UHS is a wholly owned subsidiary of UHG, the ultimate controlling entity. UHG is publicly traded on the New York Stock Exchange under the symbol UNH.

Organizational Chart

The following organizational chart depicts the applicable portion of the holding company group as of December 31, 2024. All subsidiaries are wholly owned.

**Intercompany Transactions**

The following agreements represent significant contracts executed with affiliated entities that were in effect as of December 31, 2024. A brief description of these agreements are as follows:

Behavioral Health Services Agreement: An agreement between the Company and United Behavioral Health (UBH), eleventh amendment effective May 1, 2024, whereby UBH provides the Company with certain mental health and substance abuse treatment services to the Company's Commercial and Medicare members.

Dental Services Agreement: An agreement between the Company and Dental Benefit Providers, Inc. (DBP), eleventh amendment effective November 1, 2024, whereby DBP manages a network of dental providers, claims processing, and other administrative functions to provide UHCMW's Medicaid and Medicare members with dental services.

Management Services Agreement: An agreement between the Company and UHS, third amendment effective March 1, 2017, whereby UHS provides management and operational support services to the Company.

Vision Services Agreement: An agreement between the Company and March Vision Care Group Incorporated (March), third amendment effective January 1, 2024, whereby March provides claims processing and other administrative functions related to providing vision services to the Company's members.

Administrative Services Agreement: An agreement between the Company and OptumHealth Care Solutions, Inc. (OptumHealth), seventh amendment effective October 1, 2024, whereby

OptumHealth will manage a network of therapy providers and other administrative functions to provide physical health solutions to the Company's commercial, Medicaid, and Medicare members.

Services Agreement (Global Capitation): An agreement between the Company and LifePrint Health, Inc. (LifePrint), effective January 1, 2021, whereby LifePrint provides for the health care needs and arranges for medical services through a network of providers for the Company's members in the state of Missouri.

Fourth Amended and Restated Prescription Drug Administration Agreement: An agreement between the Company, OptumRx, Inc., and UHS, effective January 1, 2024, whereby OptumRx, Inc. and UHS provide pharmacy benefit management and administrative services for pharmacy-related services to the Company's Medicaid members.

Reinsurance Agreement (Coinsurance): An agreement between the Company and United HealthCare Insurance Company (UHIC), effective July 1, 2023, whereby UHIC provides for coinsurance of 60 percent of the Company's business, excluding Medicare.

Amended and Restated Tax Sharing Agreement: An agreement between the Company and UHG, effective March 1, 2019, whereby the agreement establishes a method for the allocation and payment of federal, state, and local income tax liabilities related to the consolidated federal tax returns of United and its subsidiaries filed each year.

TERRITORY AND PLAN OF OPERATION

The Company is licensed by the Department as a health maintenance organization under Sections 354.400 through 354.636, RSMo (Health Maintenance Organizations). UHCMW is also licensed in Illinois, Iowa, Kansas, and Nebraska.

The Company has contracts with the states of Missouri and Kansas to provide services to eligible beneficiaries in the Medicaid and the Children's Health Insurance Program (CHIP) programs in those states. The Company has entered into contracts with physicians, hospitals, and other health care provider organizations to deliver health care services for all enrollees.

GROWTH OF COMPANY AND LOSS EXPERIENCE

The Company's premium declined slightly during the examination period. UHCMW novated its contract with the Centers for Medicare and Medicaid Services to an affiliate, resulting in the loss of Medicare revenue after 2022, which was partially offset by an increase in Medicaid revenue.

The table below summarizes the Company's growth for the period under examination:

(\$000s omitted)

Year	Total Assets	Net Premiums Earned	Underwriting Gain (Loss)	Net Income (Loss)	Capital and Surplus	Ratio of Net Premiums to Surplus
2020	\$ 568,505	\$ 1,573,024	\$ 128,808	\$ 94,973	\$ 256,425	6.1
2021	591,706	2,045,512	165,658	132,054	303,072	6.7
2022	717,477	2,236,858	191,467	153,830	318,081	7.0
2023	708,607	1,287,903	61,629	55,683	296,352	4.3
2024	761,869	1,326,970	57,965	53,355	301,770	4.4

The Company's medical loss ratio increased during the examination period as benefits paid out accounted for a greater share of total revenues.

The table below summarizes the Company's total revenues, incurred hospital and medical expenses, and medical loss ratios for the period under examination:

(\$000s omitted)

Year	Total Revenues	Total Hospital and Medical Benefits	Medical Loss Ratio
2020	\$ 1,573,024	\$ 1,249,792	0.79
2021	2,045,512	1,687,986	0.83
2022	2,236,858	1,852,818	0.83
2023	1,287,903	1,107,126	0.86
2024	1,326,970	1,147,324	0.87

REINSURANCE

General

The Company's premium activity on a direct written, assumed, and ceded basis for the period under examination is detailed below:

(\$000s omitted)

Premium Type	2020	2021	2022	2023	2024
Direct Premiums Written	\$ 2,816,854	\$ 3,400,693	\$ 3,976,327	\$ 3,319,988	\$ 3,257,205
Reinsurance Ceded:					
Affiliates	1,241,649	1,354,916	1,713,460	1,997,210	1,965,703
Net Premiums Written	\$ 1,575,205	\$ 2,045,777	\$ 2,262,867	\$ 1,322,778	\$ 1,291,501

Assumed Reinsurance

The Company did not assume any premiums during the period under examination.

Ceded Reinsurance

The Company cedes reinsurance to protect against catastrophic losses. The Company has a quota share agreement in place with an affiliate, United Healthcare Insurance Company. Under the agreement, the Company cedes 60% of premiums, hospitals and medical expenses and operating expenses for all commercial and Medicaid business.

The Company is contingently liable for all reinsurance losses ceded to others. This contingent liability would become an actual liability in the event that an assuming reinsurer fails to perform its obligations under the reinsurance contract.

ACCOUNTS AND RECORDS

Independent Auditor

The certified public accounting (CPA) firm, Deloitte & Touche LLP, in Minneapolis, MN, performed the statutory audit of the Company for the years under examination. Reliance was placed upon the CPA workpapers as deemed appropriate.

Actuarial Opinion

The Company's actuarial opinion regarding reserves and other actuarial items was issued by Gary Iannone, ASA, MAAA, for all years in the examination period. Mr. Iannone is employed by affiliate UHS, in Hartford, CT.

Consulting Actuary

Pursuant to a contract with the North Carolina Insurance Department, Nan Nguyen, ASA, MAAA of Risk and Regulatory Consulting, LLC, reviewed the underlying actuarial assumptions and methodologies used by UHCMW to determine the adequacy of reserves and other actuarial items. Ms. Nguyen determined that the Company made a reasonable provision for the reserves and other actuarial items that were reported in the statutory financial statements, as of December 31, 2024.

Information Systems

Pursuant to a contract with the North Carolina Insurance Department, Risk & Regulatory Consulting, LLC conducted a review of the Company's information systems.

FINANCIAL STATEMENTS

The following financial statements are based on the statutory financial statements filed by the Company with the Department and present the financial condition of UnitedHealthcare of the Midwest, Inc. for the period ending December 31, 2024. The accompanying comments on financial statements reflect any examination adjustments to the amounts reported in the financial statements and should be considered an integral part of the financial statements. The failure of any column of numbers to add to its respective total is due to rounding or truncation.

There may have been additional differences found in the course of this examination, which are not shown in the "Comments on Financial Statement Items." These differences were determined to be immaterial concerning their effect on the financial statements, and therefore were only communicated to the Company and noted in the workpapers for each individual key activity.

ASSETS

As of December 31, 2024

	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	\$ 52,334,489	\$ 0	\$ 52,334,489
Cash, Cash Equivalents, and Short-Term Investments	70,272,833	0	70,272,833
Investment Income Due and Accrued	669,947	0	669,947
Premiums and Considerations:			
Uncollected Premiums and Agents' Balances in the Course of Collection	427,173,952	3,636	427,170,316
Accrued Retrospective Premiums	24,098,250	0	24,098,250
Reinsurance:			
Amounts Recoverable from Reinsurers	142,344,063	0	142,344,063
Other Amounts Receivable Under Reinsurance Contracts	29,761,722	0	29,761,722
Amounts Receivable Relating to Uninsured Plans	8,319,293	237	8,319,056
Current Federal and Foreign Income Tax Recoverable and Interest Thereon	1,620,224	0	1,620,224
Net Deferred Tax Asset	2,899,676	0	2,899,676
Health Care and Other Amounts Receivable	14,359,463	12,083,326	2,276,137
Aggregate Write-Ins for Other-Than-Invested Assets	410,120	307,816	102,304
TOTAL ASSETS	\$ 774,264,032	\$ 12,395,015	\$ 761,869,017

LIABILITIES, CAPITAL AND SURPLUS

As of December 31, 2024

Claims Unpaid	\$ 116,343,172
Accrued Medical Incentive Pool and Bonus Amounts	3,455,054
Unpaid Claims Adjustment Expenses	2,714,086
Aggregate Health Policy Reserves	80,980,668
Aggregate Health Claim Reserves	1,543,172
Premiums Received in Advance	133
General Expenses Due or Accrued	10,492,317
Ceded Reinsurance Premiums Payable	170,191,616
Remittances and Items Not Allocated	4,268
Amounts Due to Parent, Subsidiaries, and Affiliates	74,202,135
Liability for Amounts Held Under Uninsured Plans	171,233
Aggregate Write-Ins for Other Liabilities	874
TOTAL LIABILITIES	\$ 460,098,728
Common Capital Stock	1
Gross Paid-In and Contributed Surplus	32,788,535
Surplus Notes	268,981,753
TOTAL CAPITAL AND SURPLUS	\$ 301,770,289
TOTAL LIABILITIES AND SURPLUS	\$ 761,869,017

STATEMENT OF REVENUE AND EXPENSES

For the Year Ended December 31, 2024

Net Premium Income	\$ 1,291,501,392
Change in Unearned Premium Reserves and Reserve for Rate Credits	35,468,530
Total Revenue	\$ 1,326,969,922
Hospital/Medical Benefits	2,539,140,247
Other Professional Services	141,252,169
Prescription Drugs	178,675,060
Incentive Pool, Withhold Adjustments, and Bonus Amounts	13,248,564
Net Reinsurance Recoveries	(1,724,991,788)
Claims Adjustment Expenses	35,364,528
General Administrative Expenses	86,316,490
Total Underwriting Deductions	\$ 1,269,005,270
Net Underwriting Gain (Loss)	\$ 57,964,652
Net Investment Income Earned	9,067,493
Net Realized Capital Gains	206,472
Net Investment Gain (Loss)	\$ 9,273,965
Net Gain (Loss) from Agents' or Premium Balances Charged Off	5,448
Aggregate Write-Ins for Other Income or Expenses	213,958
Net Income (Loss) After Capital Gains Tax and Before All Other Federal Income Taxes	\$ 67,458,023
Federal and Foreign Income Taxes Incurred	14,102,891
NET INCOME (LOSS)	\$ 53,355,132

RECONCILIATION OF CAPITAL AND SURPLUS
Changes from January 1, 2020 to December 31, 2024

(\$000's omitted)

	2020	2021	2022	2023	2024
Capital and Surplus, Beginning of Year	\$ 202,917	\$ 256,425	\$ 303,072	\$ 318,081	\$ 296,352
Net Income (Loss)	94,973	132,054	153,830	55,683	53,355
Change in Net Deferred Income Tax	(689)	(53)	1,197	465	(460)
Change in Nonadmitted Assets	2,423	(353)	(5,019)	(2,877)	2,524
Dividends to Stockholders	(43,200)	(85,000)	(135,000)	(75,000)	(50,000)
Net Change in Capital and Surplus	53,508	46,648	15,008	(21,729)	5,419
Capital and Surplus, End of Year	\$ 256,425	\$ 303,072	\$ 318,081	\$ 296,352	\$ 301,770

COMMENTS ON FINANCIAL STATEMENT ITEMS

None.

FINANCIAL STATEMENT CHANGES RESULTING FROM EXAMINATION

None.

SUMMARY OF RECOMMENDATIONS

None.

SUBSEQUENT EVENTS

None.

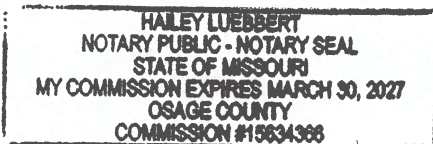
ACKNOWLEDGMENT

The assistance and cooperation extended by the officers and the employees of UnitedHealthcare of the Midwest, Inc. during the course of this examination is hereby acknowledged and appreciated. In addition to the undersigned, James Simmerman, CFE, CFP, CPCU, ARM, EdD, examiners for the Missouri Department of Commerce and Insurance, also participated in this examination.

VERIFICATION

State of Missouri)
) ss
 County of Cole)

I, Brian D. Hammann, CPA, CFE, on my oath swear that to the best of my knowledge and belief the above examination report is true and accurate and is comprised of only facts appearing upon the books, records, or other documents of UnitedHealthcare of the Midwest, Inc., its agents or other persons examined, or as ascertained from the testimony of its officers or agents or other persons examined concerning its affairs, and such conclusions and recommendations as the examiners find reasonably warranted from the facts.



Brian D. Hammann

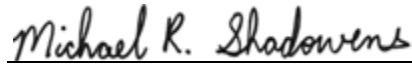
Brian D. Hammann, CPA, CFE
 Examiner-In-Charge
 Missouri Department of Commerce and Insurance

Sworn to and subscribed before me this 1st day of June, 2026.

My commission expires: March 30, 2027
Hailey Luebert
 Notary Public

SUPERVISION

The examination process has been monitored and supervised by the undersigned. The examination report and supporting workpapers have been reviewed and approved. Compliance with NAIC procedures and guidelines as contained in the *Financial Condition Examiners Handbook* has been confirmed, except where practices, procedures, and applicable regulations of the Missouri Department of Commerce and Insurance and statutes of the state of Missouri prevailed.



Michael Shadowens, CFE
Assistant Chief Financial Examiner
Missouri Department of Commerce and
Insurance