



UnitedHealth GroupSM

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VIA ELECTRONIC MAIL: rule-comments@sec.gov

Ms. Elizabeth Murphy
Secretary
U.S. Securities and Exchange Commission
100 F. Street, N.E.
Washington, D.C. 20549-1090

**Re: File No. S7-31-10
Release Nos. 33-9153; 34-63124
Shareholder Approval of Executive Compensation and Golden
Parachute Compensation**

Dear Ms. Murphy:

UnitedHealth Group appreciates the opportunity to comment on the above referenced release (the "Release") issued by the Securities and Exchange Commission (the "Commission" or "SEC") on October 18, 2010. Among other provisions, the Release would require issuers to address in the CD&A the impact of previous shareholder votes on executive compensation and policies. We believe that the proposed amendment to Item 402(b) of Regulation S-K will produce boilerplate disclosure, resulting in a longer, but less useful CD&A. In keeping with the SEC's own stated objectives for a meaningful CD&A, we believe such disclosure should be optional unless past shareholder votes had a material impact on a company's executive compensation decisions.

We are a Fortune 25 diversified health and well-being company, with approximately 80,000 employees serving more than 70 million Americans. During 2009, we managed approximately \$120 billion in aggregate health care spending on behalf of our constituents and consumers. We have approximately 1,099,000,000 outstanding shares of common stock listed on the New York Stock Exchange and we are incorporated in Minnesota. We support the Commission's goal that the CD&A provide investors with a clear picture of how compensation was determined for the company's named executive officers.

Proposed rule 402(b)(1) would require issuers to address in the CD&A whether they have considered the results of previous shareholder votes on executive compensation in determining compensation policies and decisions and, if so, how that consideration has affected their compensation policies and decisions. We do not believe that this disclosure should be mandatory. In the vast majority of instances, requiring this announcement will lead to

boilerplate statements, further lengthening CD&A without providing shareholders with meaningful information. Indeed, empirical evidence demonstrates that for most companies, this information will not be material: in 2010, management proposals for an advisory vote on executive compensation received average support of approximately 89.6%.¹ In other words, there would be nothing to disclose in this mandatory disclosure.

When revising executive compensation rules, the Commission stated the rules “are intended to provide investors with a clearer and more complete picture of the compensation” of executive officers.² Since adoption, Commission staff has encouraged issuers to provide more analysis³ and avoid boilerplate disclosure.⁴ We believe the proposed mandatory disclosure, for most issuers, would undermine these principles for executive compensation disclosures.

Accordingly, previous shareholder votes on executive compensation should only be discussed in the CD&A when consideration of the voting was a material factor in establishing or changing executive compensation. This can be best accomplished, in our view, by following the approach outlined in question 7 of the Release: i.e., by including the issuer’s consideration of the results of the shareholder vote as a non-exclusive example of information that should be addressed, depending upon materiality under the individual facts and circumstances. This approach would give investors information where it is actually meaningful, and avoid additional disclosure that provides no meaningful information.

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We appreciate the opportunity to comment on the Release and the Commission’s consideration of the comments provided herein. If you need further information or would like to discuss our comments, please contact me at (952) 936-1316.

Respectfully Submitted,



Dannette L. Smith
Secretary to the Board

¹ ISS 2010 Proxy Season Review (September 10, 2010) at page 3.

² Securities Exchange Act Release No. 34-54302A (August 29, 2006) at page 1.

³ See, John W. White, *Where’s the Analysis* (October 9, 2007) (<http://www.sec.gov/news/speech/2007/spch100907jww.htm>); John W. White, *Executive Compensation Disclosure: Observations on Year Two and a Look Forward to the Changing Landscape for 2009* (October 21, 2008) (<http://www.sec.gov/news/speech/2008/spch102108jww.htm>); Shelley Parratt, *Executive Compensation Disclosure: Observations on the 2009 Proxy Season and Expectations for 2010* (November 9, 2009) (<http://www.sec.gov/news/speech/2009/spch110909sp.htm>).

⁴ See, Staff Observations in the Review of Executive Compensation Disclosure (<http://www.sec.gov/divisions/corpfin/guidance/execcompdisclosure.htm>)