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May 2, 2006

Rob Feckner, President
CalPERS Board of Administration
Lincoln Plaza North
400 Q Street
Sacramento, CA 95814

Dear Rob:

I am writing to you regarding your request of the UnitedHealth Group Inc. to convene a conference call with their compensation committee over disclosure practices. I agree with your concern regarding "the serious threat to the credibility, governance and performance of United Health."

The healthcare crisis in the United States is raising a number of issues regarding the business practices of insurance companies and hospital systems. The reports by the Wall Street Journal underscore that UnitedHealth puts profits before people.

The actions by UnitedHealth in terms of backdating stock options to their top executive underscores the need of a full review of insurance practices which I have called for. I have real concerns about other business practices which I have written to regulatory officials.

In the zeal to drive up profits and gain greater market share I am concerned that there is evidence of collusion between hospitals and insurance companies. The action by the industry to severely limit patient choice and drive out competition ultimately hurts all American patients and employers.

I am not the only legislator with this concern. We feel your organization can be a force for market reform starting with UnitedHealth.

I would like to speak with you and ask for your support in arranging a meeting with concerned elected officials and regulatory officials about United Health. I can be reached at 801-808-5275 or by email: mwaddoups@utahsenate.org.

Sincerely,

Senator Michael Waddoups