

EXHIBIT 51

Exhibit 51- Description of the Companies' Equity Option Plans

United Health Group – All equity awards made by the Applicant are made pursuant to its 2002 Stock Incentive Plan. The Applicant's shareholders approved the 2002 Stock Incentive Plan on May 15, 2002. In addition to the 2002 Stock Incentive Plan, the Applicant also allows employees to elect to participate in the 1993 Employee Stock Purchase Plan, which allows employees to purchase the Applicant's common stock at a discount through payroll deductions.

2002 Stock Incentive Plan – The following is a summary of the 2002 Stock Plan.

Shares Authorized – There are approximately 83 million shares currently authorized for issuance under the 2002 Stock Incentive Plan. If any shares of the Applicant common stock subject to an award under the 2002 Stock Incentive Plan or to which an award relates are not purchased or are forfeited, or if any award terminates without the delivery of shares or other consideration, the shares previously used for the awards will be available for future awards under the 2002 Stock Incentive Plan. In addition, if any shares are delivered by a 2002 Stock Incentive Plan participant as payment to the Applicant of the purchase price relating to an award (or delivered to pay the participant's tax withholding obligations), then only the number of shares issued net of the shares tendered shall be deemed issued for purposes of determining the maximum number of shares available for granting of future awards under the 2002 Stock Incentive Plan. The number of shares available for issuance is subject to increase if the Applicant pursuant to a formula in the event that the Applicant issues shares of its common stock as consideration for a business acquisition by it or any of its subsidiaries, provided that the Applicant determines, at or before the time such business acquisition is consummated, that options or other stock-based awards will not continue to be granted, following such business acquisition, under any plan of the acquired business which is assumed by the Applicant by contract or by operation of law.

Eligibility – Any employee, officer, director, consultant or independent contractor providing services to the Applicant or any of its affiliates is eligible to receive awards under the 2002 Stock Incentive Plan.

Plan Administration – The 2002 Stock Incentive Plan is administered by the Applicant's Compensation and Human Resources Committee (the "Committee"), each member of which is an independent director under the rules of the New York Stock Exchange. The Committee has the authority to establish rules for the administration of the 2002 Stock Incentive Plan, to select the individuals to whom awards are granted, to determine the types of awards to be granted and the number of shares of Common Stock covered by the awards, and to set the vesting and other terms and conditions of awards.

Types and Terms of Awards – The 2002 Stock Incentive Plan permits the granting of (a) stock options, including incentive stock options and nonqualified stock options, (b) stock appreciation rights, or “SARs,” (c) restricted stock and restricted stock units, (d) performance awards and (e) other stock-based awards.

The exercise price per share under any stock option, the grant price of any SAR, and the purchase price of any security that may be purchased under any other stock-based award will not be less than 100% of the fair market value of the Applicant’s common stock on the date of grant. Awards granted under the 2002 Stock Incentive Plan may not have a term longer than 10 years.

Transferability – In general, no award and no right under any award granted under the 2002 Stock Incentive Plan will be transferable by its recipient otherwise than by will or by the laws of descent and distribution, or pursuant to a qualified domestic relations order. However, awards (other than incentive stock options) may be transferable pursuant to terms determined by the Committee as specifically provided in individual award agreements.

Withholding Obligations – Under the 2002 Stock Incentive Plan, the Committee may permit participants receiving or exercising awards to surrender previously owned shares of Common Stock to the Applicant to satisfy federal, state or local withholding tax obligations, provided that such shares must have been owned by the participant for no less than six months prior to the date of exercise if such shares were acquired upon exercise of another stock option or upon the vesting of restricted stock or restricted stock units.

Adjustments – In the event of any dividend or other distribution, recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase or exchange of shares of Common Stock or other securities of the Applicant or other similar corporate transaction affecting the shares of Common Stock, the Committee will, in order to prevent the diminution or enlargement of any benefits resulting from an award under the Incentive Plan, adjust the number of shares subject to the award and the exercise price and other provisions of the award. Except for these adjustments, no option may be amended to reduce its initial exercise price, and no option may be canceled and replaced with an option or options having a lower exercise price.

Amendments – The Applicant Board of Directors may amend, alter or discontinue the 2002 Stock Incentive Plan at any time. However, shareholder approval must be obtained for any amendment that requires the approval of shareholders under any rules or regulations of the NYSE, any other securities exchange or the National Association of Securities Dealers, Inc. that are applicable to the Applicant. Other than as set forth in the “Adjustments” section above, options may not be repriced without shareholder approval.

Term – Awards under the 2002 Stock Incentive Plan will only be granted during a 10-year period beginning on May 15, 2002. However, any award granted may extend beyond this 10-year period.

1993 Employee Stock Purchase Program – The following is a summary of the Applicant's 1993 Employee Stock Purchase Program

Shares Available – There are approximately 5.8 million shares of the Applicant's common stock currently available for purchase under the 1993 Employee Stock Purchase Plan pursuant to purchase rights granted under the plan.

Eligibility – Any full-time employee of the Applicant or a subsidiary is eligible to receive purchase rights under the ESPP. Any employee of the Applicant who owns more than 5% of the outstanding stock of the Applicant is not eligible to participate in the ESPP.

Plan Administration – The ESPP is administered by the Compensation and Human Resources Committee of the Applicant's Board of Directors. The Committee has the authority to establish rules for the administration of the ESPP.

Types and Terms of Awards – The ESPP provides for the grant of purchase rights to eligible employees. Eligible employees may elect to participate in the ESPP by authorizing payroll deductions up to a maximum of \$25,000 per calendar year. At the end of each offering period, the amount of payroll deductions elected by the employee is used to purchase shares of the Applicant's common stock at a discount for the account of the employee.

Adjustments – Appropriate adjustments in the number of shares and purchase price of the Applicant's common stock will be made in the event of any stock dividend, stock split or reclassification by way of split-up or reduction.

Amendment – The Applicant's Board of Directors at any time, and from time to time, may terminate or amend the ESPP. However, no amendment may be made to the ESPP without prior approval of the Applicant's shareholders which would (i) increase the number of shares which may be purchased under the ESPP, except for increases permitted by the "Adjustments" paragraph, (ii) permit the issuance of common stock before payment therefore in full, (iii) increase the rate of payroll deductions above 10% of compensation, (iv) reduce the price per share at which common stock may be purchased, (v) withdraw administration of the ESPP from the Compensation and Human Resources Committee, or (vi) change the definition of subsidiaries eligible to participate in the ESPP.

PacifiCare – In 2005, PacifiCare adopted the PacifiCare Health Systems, Inc. 2005 Equity Incentive Plan (the "2005 Plan"), which was approved by its shareholders. As a result, no further grants will be made by PacifiCare under the equity compensation plans other than the 2005 Plan described below and the ESPP (defined below). The following is a summary of all of PacifiCare's equity compensation plans.

PacifiCare Health Systems, Inc. 2005 Equity Incentive Plan

Shares Authorized – The PacifiCare Health Systems, Inc. 2005 Equity Incentive Plan authorizes the issuance of 4,300,000 shares of PacifiCare common stock for awards made under the plan, subject to certain adjustments. Shares subject to the plan may either be authorized and unissued shares or shares reacquired by PacifiCare. Shares subject to an award which for any reason expires or terminates unexercised or is not earned in full shall again be made available under the 2005 Plan. No participant may receive as an annual average during any three year period more than 500,000 stock options, SARs, restricted stock, restricted stock units, performance stock or any combination thereof under the plan. For purposes of determining the share reserve and the limit on awards to a participant, each share of common stock issued pursuant to an award of restricted stock, restricted stock units, performance stock or other stock shall count as 1.5 shares. All of the available shares may, but need not, be issued pursuant to the exercise of incentive stock options.

Eligibility – All employees and consultants of PacifiCare and its subsidiaries and all non-employee directors of PacifiCare are eligible to be granted awards under the 2005 Plan.

Plan Administration – The 2005 Plan is administered by the Compensation Committee (or subcommittee thereof) of the PacifiCare Board of Directors consisting of two or more members of the Board (the “Committee”), each member of which is an independent director under the rules of the New York Stock Exchange. The Committee has the authority to establish rules for the administration of the 2005 Plan, to select the individuals to whom awards are granted, to determine the types of awards to be granted and the number of shares of common stock covered by the awards, and to set the vesting and other terms and conditions of awards.

Types and Terms of Awards – The 2005 Plan permits the granting of stock options, SARs, restricted stock, restricted stock units, performance stock, performance units and other stock or cash awards based on the value of PacifiCare common stock.

The exercise price per share under any stock option and the grant price of any SAR will not be less than 100% of the fair market value of PacifiCare’s common stock on the date of grant.

Adjustments – If any extraordinary dividend or other extraordinary distribution occurs in respect of PacifiCare common stock (whether in the form of cash, common stock, other securities or other property), or any reclassification, recapitalization, stock split (including a stock split in the form of a stock dividend), reverse stock split, reorganization, merger, combination, consolidation, split-up, spin-off, combination, repurchase or exchange of common stock or other securities of PacifiCare, or any similar, unusual or extraordinary corporate transaction (or event in respect of the common stock) or a sale of substantially all the assets of PacifiCare occurs. The Committee

will, in such manner and to such extent (if any) as it deems appropriate and equitable:

(a) proportionately adjust any or all of (i) the number and type of shares of common stock (or other securities) that thereafter may be made the subject of awards (including the specific maximums and numbers of shares set forth elsewhere in the plan), (ii) the number, amount and type of shares of common stock (or other securities or property) subject to any or all outstanding awards, (iii) the grant, purchase or exercise price of any or all outstanding awards, (iv) the securities, cash or other property deliverable upon exercise of any outstanding awards or (v) the performance standards applicable to any outstanding awards, or

(b) in the case of an extraordinary dividend or other distribution, recapitalization, reclassification, merger, reorganization, consolidation, combination, sale of assets, split up, exchange or spin off, make provision for a cash payment or for the substitution or exchange of any or all outstanding awards or the cash, securities or property deliverable to the holder of any or all outstanding awards based upon the distribution or consideration payable to holders of the common stock upon or in respect of such event.

In any of such events, the Committee may take such action prior to such event to the extent that the Committee deems the action necessary to permit the participant to realize the awards intended to be conveyed with respect to the underlying shares in the same manner as is or will be available to stockholders generally. In the case of any stock split or reverse stock split, if no action is taken by the Committee, the proportionate adjustments contemplated by clause (a) above shall nevertheless be made.

Amendment – The Board may amend the 2005 Plan from time to time or terminate the 2005 Plan at any time. However, no such action shall reduce the amount of any existing award or change the terms and conditions thereof without the participant's consent. No material amendment of the plan shall be made without shareholder approval.

Term – The 2005 Plan was adopted by the Board on February 17, 2005 and became effective on May 19, 2005 following the approval of the plan by PacifiCare stockholders. No award shall be made more than ten years after the approval of the 2005 Plan by the stockholders, except that the terms and conditions applicable to any award granted on or before such date may thereafter be amended or modified by mutual agreement between PacifiCare and the participant.

1996 Stock Option Plan for Officers and Key Employees

Shares Authorized – The 1996 Stock Option Plan for Officers and Key Employees (the "1996 Stock Option Plan") authorizes the issuance of 4,300,000 shares of PacifiCare common stock for awards made under the 1996 Stock Option Plan, subject to certain adjustments. Beginning June 30,

1999, the aggregate number of shares of common stock which may be subject to awards granted during such year shall not exceed 2% of the aggregate outstanding shares of common stock of the company as of June 30th of each plan year. Any shares of common stock available to be subject to awards granted during a fiscal year and not made subject to awards shall be added to the aggregate number of shares of common stock available for awards in succeeding fiscal years. The maximum number of incentive stock options available for grant under the plan is 1,800,000, subject to adjustment.

The maximum number of incentive stock options, non-qualified stock options and stock appreciation rights available for grant to any participant during any fiscal year shall not exceed 200,000, subject to adjustment. If any award expires or is terminated or cancelled without having been fully exercised, the number of shares subject to such award but as to which such award was not exercised prior to its expiration or cancellation may again be granted under the plan, except that, in the case of the cancellation or termination of an incentive stock option, non-qualified stock option or stock appreciation right in the same fiscal year that such incentive stock option, non-qualified stock option or stock appreciation right was granted, both the cancelled or terminated incentive stock option, non-qualified stock option or stock appreciation right and the newly granted incentive stock option, non-qualified stock option or stock appreciation right shall be counted in determining whether the recipient has received the maximum number of such awards permitted under the plan.

Eligibility – Officers, key employees or consultants of PacifiCare or any subsidiary may hold outstanding awards under the plan.

Plan Administration – The 1996 Stock Option Plan is administered by a committee of the PacifiCare Board of Directors consisting of two or more members of the Board (the “Committee”), each member of which is an independent director under the rules of the New York Stock Exchange. The Committee has the authority to establish rules for the administration of the 1996 Stock Option Plan, to select the individuals to whom awards are granted, to determine the types of awards to be granted and the number of shares of common stock covered by the awards, and to set the vesting and other terms and conditions of awards.

Types and Terms of Awards – The 1996 Stock Option Plan permits the granting of (a) stock options, including incentive stock options and nonqualified stock options, (b) stock appreciation rights, or “SARs,” and (c) stock payments (including restricted stock).

The exercise price per share under any stock option and the grant price of any SAR will not be less than 100% of the fair market value of PacifiCare’s common stock on the date of grant. Incentive stock options granted under the 1996 Stock Option Plan may not have a term longer than 10 years.

Adjustments – In the event that the outstanding shares of PacifiCare common stock are changed into or exchanged for a different number or kind of shares

or other securities of PacifiCare or of another corporation, by reason of reorganization, merger, consolidation, recapitalization, reclassification, stock split, stock dividend or combination of shares, or in the event of extraordinary cash or non-cash dividends being declared with respect to outstanding shares of PacifiCare common stock or similar transactions, proportionate adjustments shall be made by the Committee in the number and kind of shares which are subject to awards, including adjustments of the limitations contained herein on the maximum number and kind of shares which may be subject to awards under the plan.

Amendment – The 1996 Stock Option Plan may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the PacifiCare Board of Directors, but no amendment may be made that is not subject to the approval of PacifiCare's stockholders if stockholder approval would be required under Section 162(m) of the Internal Revenue Code (the "Code"), Section 422 of the Code or any other law or rule of any governmental authority, stock exchange or other self-regulatory organization to which PacifiCare is subject. Neither the amendment, suspension nor termination of the 1996 Stock Option Plan shall, without the consent of the holder of the award, impair any rights or obligations under any award granted under the plan. No award may be granted during any period of suspension nor after termination of the 1996 Stock Option Plan.

Term – No award may be granted under the 1996 Stock Option Plan after the expiration of ten years from the date the plan was approved by PacifiCare's stockholders.

Amended and Restated 1996 Non-Officer Directors Stock Option Plan

Shares Authorized – The Amended and Restated 1996 Non-Officer Directors Stock Option Plan (the "1996 Non-Officer Directors Plan") authorizes the issuance of 413,400 shares of PacifiCare common stock for awards made under the 1996 Non-Officer Directors Plan, subject to adjustment for changes in PacifiCare's capitalization. In the event that any option granted under the 1996 Non-Officer Directors Plan expires or is terminated or canceled prior to its exercise in full for any reason, the shares subject to such option shall be added to the shares of PacifiCare common stock otherwise available for issuance pursuant to the exercise of options under the plan.

Eligibility – Non-officer directors of PacifiCare may hold outstanding stock options under the 1996 Non-Officer Directors Plan.

Plan Administration – The 1996 Non-Officer Directors Plan is administered by a committee of the PacifiCare Board of Directors consisting of two or more members of the Board (the "Committee"), each member of which is an independent director under the rules of the New York Stock Exchange. The Committee has the authority to establish rules for the administration of the 1996 Non-Officer Directors Plan and is responsible for conducting the general administration of the plan in accordance with its provisions.

Types and Terms of Awards – The 1996 Non-Officer Directors Plan provides for the granting of a set number of stock options to non-officer directors upon election to the Board of Directors and on an annual basis thereafter.

The exercise price per share under any stock option will not be less than 100% of the fair market value of PacifiCare's common stock on the date of grant. Options granted under the 1996 Non-Officer Directors Plan may not have a term longer than 10 years.

Adjustments – In the event that the outstanding shares of PacifiCare are changed into or exchanged for a different number or kind of shares or other securities of PacifiCare or of another corporation, by reason of reorganization, merger, consolidation, recapitalization, reclassification, stock split, stock dividend or combination of shares, or in the event of extraordinary cash or non-cash dividends being declared with respect to the outstanding shares of PacifiCare common stock or other similar transactions, proportionate adjustments shall be made by the Committee in the number and kind of shares for the purchase of which options may be granted (including adjustments of the limitation on the maximum number and kind of shares which may be issued on exercise of options), which adjustments shall be consistent with comparable adjustments made pursuant to the corresponding provision in the 1996 Stock Option Plan. In the event that the outstanding shares of PacifiCare common stock are changed into or exchanged for a different number or kind of shares or other securities of PacifiCare, or of another corporation, by reason of reorganization, merger, consolidation, recapitalization, reclassification, stock split, stock dividend or combination of shares, or in the event of extraordinary cash or non-cash dividends being declared with respect to the outstanding shares of PacifiCare common stock or other similar transactions, the Committee shall make proportionate adjustments in the number and kind of shares as to which all outstanding options, or portions thereof then unexercised, shall be exercisable, to the end that after such event the optionee's proportionate interest shall be maintained as before the occurrence of such event. Such adjustments shall be consistent with comparable adjustments made pursuant to the corresponding provision in the 1996 Stock Option Plan. Such adjustment in an outstanding option shall be made without change in the total price applicable to the option or the unexercised portion of the option (except for any change in the aggregate price resulting from rounding-off of share quantities or prices) and with any necessary corresponding adjustment in option price per share.

Amendment – The 1996 Non-Officer Directors Plan may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the PacifiCare Board of Directors, but no amendment may be made that is not subject to the approval of PacifiCare's stockholders if stockholder approval would be required under Section 422 of the Code or any other law or rule of any governmental authority, stock exchange or other self-regulatory organization to which PacifiCare is subject. Neither the

amendment, suspension nor termination of the plan shall, without the consent of the holder of the option, impair any rights or obligations under any option granted under the plan.

Amended 1997 Premium Priced Stock Option Plan

Shares Authorized – The Amended 1997 Premium Priced Stock Option Plan (the "1997 Plan") authorizes the issuance of 2,600,000 shares of PacifiCare common stock for awards made under the plan, subject to adjustments resulting from a change in PacifiCare's capitalization. The maximum number of options available for grant to any participant under the plan in any fiscal year is 400,000, subject to adjustment.

Eligibility – Officers, key employees or consultants of PacifiCare or any subsidiary may hold outstanding awards under the 1997 Plan.

Plan Administration – The 1997 Plan is administered by a committee of the PacifiCare Board of Directors consisting of two or more members of the Board (the "Committee"), each member of which is an independent director under the rules of the New York Stock Exchange. The Committee has the authority to establish rules for the administration of the 1997 Plan, to select the individuals to whom awards are granted, to determine the terms of, and the number of shares of common stock covered by, options.

Types and Terms of Awards – The 1997 Plan permits the granting of stock options, which become exercisable (if at all) based upon the per share sales price of PacifiCare common stock.

The exercise price per share under any stock option will not be less than 100% of the fair market value of PacifiCare's common stock on the date of grant.

Adjustments – In the event that the outstanding shares of PacifiCare common stock are changed into or exchanged for a different number or kind of shares or other securities of PacifiCare or of another corporation, by reason of reorganization, merger, consolidation, recapitalization, reclassification, stock split, stock dividend or combination of shares, or in the event of extraordinary cash or non-cash dividends being declared with respect to outstanding shares of PacifiCare common stock or similar transactions, the Committee shall make an appropriate and equitable adjustment in the number and kinds of shares as to which all outstanding options, or portions thereof then unexercised, shall be exercisable, to the end that after such event the participant's proportionate interest shall be maintained as before the occurrence of such event. Such adjustment in an outstanding option or the unexercised portion of an option (except for any change in the aggregate price resulting from rounding-off of share quantities or prices) and with any necessary corresponding adjustment in the exercise price per share, except that each such adjustment shall be made in such manner as not to constitute: (i) a "material modification" to any option intended to qualify for treatment as an "existing binding contract" in each case within the meaning of Section

162(m)(4)(D) of the Code; or (ii) a cancellation and reissuance of a non-qualified stock option for purposes of 162(m) of the Code, or the regulations promulgated thereunder, to the extent that such reissuance would result in the grant of such options in excess of the maximum permitted to be granted to any participant in any fiscal year.

Amendment – The 1997 Plan may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the PacifiCare Board of Directors, but no amendment may be made that is not subject to the approval of PacifiCare's stockholders if stockholder approval would be required under Section 162(m) of the Code or any other law or rule of any governmental authority, stock exchange or other self-regulatory organization to which PacifiCare is subject. Neither the amendment, suspension nor termination of the plan shall, without the consent of the holder of an option, impair any rights or obligations under any option granted under the 1997 Plan.

Term – No award be granted under the 1997 Plan after the expiration of ten years from the date the plan was approved by PacifiCare's stockholders.

Amended and Restated 2000 Non-Employee Directors Stock Plan

Shares Authorized – The Amended and Restated 2000 Non-Employee Directors Stock Plan (the "2000 Non-Employee Directors Plan") authorizes the issuance of no more than 400,000 shares of PacifiCare common stock for awards made under the plan, subject to adjustment for changes in PacifiCare's capitalization. In the event that any option granted under the plan expires or is terminated or canceled prior to its exercise in full for any reason, the shares subject to such option shall be added to the shares of PacifiCare common stock otherwise available for issuance pursuant to the exercise of options under the 2000 Non-Employee Directors Plan.

Eligibility – Non-employee directors of PacifiCare may hold outstanding stock options under the 2000 Non-Employee Directors Plan.

Plan Administration – The 2000 Non-Employee Directors Plan is administered by a committee of the PacifiCare Board of Directors consisting of two or more members of the Board (the "Committee"), each member of which is an independent director under the rules of the New York Stock Exchange – The Committee has the authority to establish rules for the administration of the 2000 Non-Employee Directors Plan and is responsible for conducting the general administration of the plan in accordance with its provisions.

Types and Terms of Awards – The 2000 Non-Employee Directors Plan provides for the granting of a set number of stock options to non-officer directors upon election to the Board of Directors and on an annual basis thereafter.

The exercise price per share under any stock option will not be less than 100% of the fair market value of PacifiCare's common stock on the date of grant. Options granted under the 2000 Non-Employee Directors Plan may not have a term longer than 10 years.

Adjustments – In the event that the outstanding shares of PacifiCare are changed into or exchanged for a different number or kind of shares or other securities of PacifiCare or of another corporation, by reason of reorganization, merger, consolidation, recapitalization, reclassification, stock split, stock dividend or combination of shares, or in the event of extraordinary cash or non-cash dividends being declared with respect to the outstanding shares of PacifiCare common stock or other similar transactions, proportionate adjustments shall be made by the Committee in the number and kind of shares for the purchase of which options may be granted (including adjustments of the limitation on the maximum number and kind of shares which may be issued on exercise of options). In the event that the outstanding shares of PacifiCare common stock are changed into or exchanged for a different number or kind of shares or other securities of PacifiCare, or of another corporation, by reason of reorganization, merger, consolidation, recapitalization, reclassification, stock split, stock dividend or combination of shares, or in the event of extraordinary cash or non-cash dividends being declared with respect to the outstanding shares of PacifiCare common stock or other similar transactions, the Committee shall make proportionate adjustments in the number and kind of shares as to which all outstanding options, or portions thereof then unexercised, shall be exercisable, to the end that after such event the optionee's proportionate interest shall be maintained as before the occurrence of such event.

Amendment – The 2000 Non-Employee Directors Plan may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the PacifiCare Board of Directors, but no amendment may be made that is not subject to the approval of the stockholders of the company if stockholder approval would be required by law or rule of any governmental authority, stock exchange or other self-regulatory organization to which PacifiCare is subject. Neither the amendment, suspension nor termination of the plan shall, without the consent of the holder of the option, impair any rights or obligations under any option granted under the plan.

2000 Employee Plan of PacifiCare Health Systems, Inc.

Shares Authorized – The 2000 Employee Plan of PacifiCare Health Systems, Inc. (the "2000 Employee Plan") authorizes the issuance of 1,500,000 shares of PacifiCare common stock for awards made under the plan, subject to certain adjustments. If any award expires or is terminated or canceled without having been fully exercised, the number of shares subject to such award but as to which such award was not exercised prior to its expiration or cancellation may again be granted under the plan. Not more than 50 percent of the awards

made under the plan shall be granted to officers, including vice presidents, of PacifiCare, except for awards to officers not previously employed by PacifiCare granted as an inducement essential to such individuals entering into employment with PacifiCare or any subsidiary.

Eligibility – Employees or consultants of PacifiCare or any subsidiary may hold outstanding awards under the 2000 Employee Plan.

Plan Administration – The 2000 Employee Plan is administered by a committee of the PacifiCare Board of Directors consisting of two or more members of the Board (the “Committee”), each member of which is an independent director under the rules of the New York Stock Exchange. The Committee has the authority to establish rules for the administration of the 2000 Employee Plan, to select the individuals to whom awards are granted, to determine the types of awards to be granted and the number of shares of common stock covered by the awards, and to set the vesting and other terms and conditions of awards.

Types and Terms of Awards – The 2000 Employee Plan permits the granting of (a) non-qualified stock options, (b) SARs, and (c) stock payments (including restricted stock).

The exercise price per share under any stock option and the grant price of any SAR will not be less than 100% of the fair market value of PacifiCare’s common stock on the date of grant.

Adjustments – In the event that the outstanding shares of PacifiCare common stock are changed into or exchanged for a different number or kind of shares or other securities of PacifiCare or of another corporation, by reason of reorganization, merger, consolidation, recapitalization, reclassification, stock split, stock dividend or combination of shares, or in the event of extraordinary cash or non-cash dividends being declared with respect to outstanding shares of PacifiCare common stock or similar transactions, the Committee shall make an appropriate and equitable adjustment in the number and kind of shares as to which all outstanding awards, or portions thereof then unexercised, shall be exercisable, to the end that after such event the participant's proportionate interest shall be maintained as before the occurrence of such event.

Amendment – The 2000 Employee Plan may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the PacifiCare Board of Directors. Neither the amendment, suspension nor termination of the plan shall, without the consent of the holder of the award, impair any rights or obligations under any award granted under the plan. No award may be granted during any period of suspension nor after termination of the plan.

Term – No award be granted under the 2000 Employee Plan after the expiration of ten years from June 19, 2000, the effective date of the 2000 Employee Plan.

PacifiCare Health Systems Inc. Amended and Restated 2001 Employee Stock Purchase Plan

Shares Authorized – The PacifiCare Health Systems Inc. Amended and Restated 2001 Employee Stock Purchase Plan (the "ESPP") authorizes the sale of no more than 3,700,000 shares of PacifiCare common stock pursuant to purchase rights granted under the plan.

Eligibility – Any employee of PacifiCare or a subsidiary is eligible to receive purchase rights under the ESPP.

Plan Administration – The ESPP is administered by the PacifiCare Board of Directors, unless and until the Board delegates administration to a committee of one or more members of the Board. The Board (or designated committee) has the authority to establish rules for the administration of the ESPP, to select the individuals to whom purchase rights are granted and the number of shares of common stock covered by the purchase rights.

Types and Terms of Awards – The ESPP provides for the grant of purchase rights to eligible employees. Eligible employees may elect to participate in the ESPP by authorizing payroll deductions up to certain limits. At the end of each offering period, the amount of payroll deductions elected by the employee is used to purchase shares of PacifiCare common stock at a discount for the account of the employee.

Adjustments – If any change is made in the shares of PacifiCare common stock, subject to the ESPP, or subject to any purchase right, without the receipt of consideration by PacifiCare (through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or other transaction not involving the receipt of consideration by PacifiCare), the plan shall be appropriately adjusted in the type(s), class(es) and maximum number of shares of common stock subject to the plan, and the outstanding purchase rights granted under the plan shall be appropriately adjusted in the type(s), class(es), number of shares and purchase limits of such outstanding purchase rights. The Board shall make such adjustments, and its determination shall be final, binding and conclusive.

In the event of a corporate transaction, then: (i) any surviving or acquiring corporation may continue or assume purchase rights outstanding under the plan or may substitute similar rights (including a right to acquire the same consideration paid to stockholders in the corporate transaction) for those outstanding under the plan, or (ii) if any surviving or acquiring corporation does not assume such purchase rights or does not substitute similar rights for

purchase rights outstanding under the plan, then, the participants' accumulated payroll deductions (exclusive of any accumulated interest that cannot be applied toward the purchase of shares of common stock under the terms of the offering) shall be used to purchase shares of common stock immediately prior to the corporate transaction under the ongoing offering, and the participants' purchase rights under the ongoing offering shall terminate immediately after such purchase.

Amendment – The PacifiCare Board of Directors at any time, and from time to time, may amend the ESPP. However, except as related to adjustments upon changes in securities and except as to amendments solely to benefit the administration of the plan, to take account of a change in legislation or to obtain or maintain favorable tax, exchange control or regulatory treatment for participants or PacifiCare, no amendment shall be effective unless approved by the stockholders of PacifiCare to the extent stockholder approval is necessary for the plan to satisfy the requirements of Section 423 of the Code or other applicable laws or regulations. The rights and obligations under any purchase rights granted before amendment of the plan shall not be impaired by any amendment of the plan except (i) with the consent of the person to whom such purchase rights were granted, (ii) as necessary to comply with any laws or governmental regulations, or (iii) as necessary to ensure that the plan and/or purchase rights granted under the plan comply with the requirements of Section 423 of the Code.

Term – No award be granted under the ESPP after the expiration of ten years from June 19, 2000, the effective date of the ESPP.