

As of December 31, 2010

Health Net provides a full spectrum of managed health care products to more than 6.0 million members through our **diverse businesses** that include:

COMMERCIAL

Health Net provides managed care benefits to approximately 1.4 million individual, small group and large group members primarily in California, Arizona, Oregon and Washington. The ongoing challenges arising from persistent economic pressures are creating greater focus on the affordability of health plans. Our tailored network plans are built on strong relationships with select providers who demonstrate an optimal combination of quality and cost effectiveness. These growing plans combine comprehensive benefits with more affordable premiums compared with our traditional health maintenance organization (HMO) products.

MEDICARE ADVANTAGE AND MEDICARE PART D

With approximately 222,000 Medicare Advantage (MA) members, Health Net provides a variety of MA plans to eligible seniors and others. Similar to our commercial value proposition, our MA strategy is to provide seniors with comprehensive benefits at affordable prices. Through the Medicare prescription drug program (Part D), we serve approximately 427,000 members in 49 states and the District of Columbia.

STATE HEALTH PROGRAMS

Health Net participates in California's Medicaid (Medi-Cal) program, the Children's Health Insurance Program (Healthy Families) and Access for Infants and Mothers (AIM). With approximately 901,000 members in 41 counties in these programs, we believe we are well-positioned for a variety of potential growth opportunities as a result of health care reform and possible expansion of Medicaid coverage.

GOVERNMENT CONTRACTS

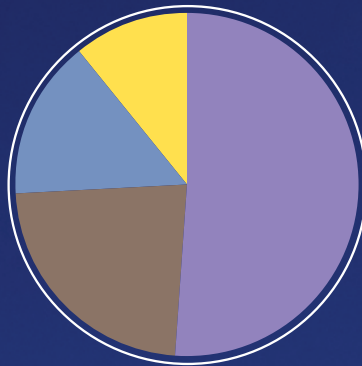
Health Net Federal Services (HNFS), a wholly-owned subsidiary of Health Net, serves approximately 3.1 million members through the TRICARE North Region contract, one of three regional TRICARE contracts awarded by the U.S. Department of Defense. Through this program, Health Net serves the families of active duty personnel and retirees in the District of Columbia and the 23-state North Region. In addition, Health Net provides support to service men and women and their families during the difficult times of military life, including mobilization and reintegration, through its behavioral health subsidiary, Managed Health Network. Through its contracts with the Department of Veterans Affairs, HNFS offers behavioral health services to veterans.

Financial Highlights

HEALTH NET MEMBERSHIP (As of December 31, 2010)

- **51%** TRICARE
- **23%** Commercial
- **15%** Medicaid
- **11%** Medicare

6,030,000 Total



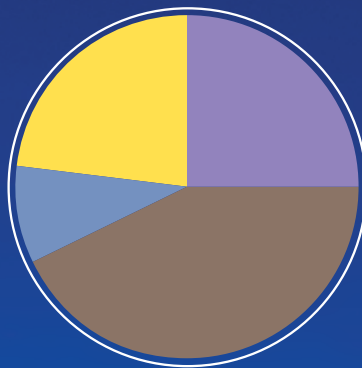
TOTAL REVENUES (In billions)

- 2010 **\$13.6**
- 2009 **\$15.7**
- 2008 **\$15.4**
- 2007 **\$14.1**
- 2006 **\$12.9**



HEALTH PLAN SERVICES PREMIUMS AND GOVERNMENT CONTRACTS REVENUE CONTRIBUTION (As of December 31, 2010)

- **25%** TRICARE
- **43%** Commercial
- **9%** Medicaid
- **23%** Medicare



DEBT-TO-TOTAL CAPITAL RATIO (As of December 31)

- 2010 **19.0%**
- 2009 **26.2%**
- 2008 **27.9%**
- 2007 **22.5%**
- 2006 **21.9%**



Health Net repurchased 9.1 million shares for approximately \$237 million in 2010.

