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### **Bank Branches**

Optum Bank – Main Office  
12921 South Vista Station Blvd Suite #200  
Draper, UT 84020  
Hours of Operation: 8:00am to 5:00pm

Census Tract (geography) where main branch is located:  
MSA/MD Code: 41620  
State Code: 49  
County Code: 035  
Tract Code: 1128.25  
MSA/MD Name: Salt Lake City, UT  
State Name: Utah  
County Name: Salt Lake County

### **Bank Branches Opened and Closed**

Optum Bank has not opened or closed any branches during the prior two calendar years.

Current as of: 04/01/2025

## **Bank Services**

Optum Bank offers banking products as they relate to healthcare. Optum Bank offers online banking services through its website, [www.optumbank.com](http://www.optumbank.com). The Bank does not currently offer home mortgage, small business, small farm, or consumer loans to retail customers. Hours of Operation: 8:00 a.m. to 5:00 p.m.

## **Available Loan and Deposit Products**

### Products:

- Health Savings Account (“HSA”) deposit accounts to individual consumers
- Medicare Advantage Medical Savings Account (“MSA”) deposit accounts to individual consumers who are members of certain qualifying high-deductible Medicare Advantage insurance plans
- Wealth Management accounts to certain beneficiaries of life insurance products
- Electronic payment processing to support healthcare payment delivery between payers and providers
- Commercial lending products and loan participations providing credit to healthcare providers
- Limited Indirect medical equipment leasing
- Card products in support of health incentive and wellness programs
- Unsecured consumer loans to facilitate the purchase of elective healthcare in collaboration with 3<sup>rd</sup> parties

### Transaction Fees:

Please see attached list of fees applicable to the Bank’s HSA product.

Current as of: 04/01/2025

## Schedule of fees

Optum Bank<sup>®</sup>, Member FDIC, wants you to understand the fees associated with your health savings account (HSA). In the chart below, we've outlined the fees and how they may apply to your account.

### Standard fees

#### Monthly maintenance fee

**\$0.00 - \$3.00**

Includes use of:

- Optum Financial payment card – to pay charges directly
- Online bill payment and mobile access
- Receipt vault – allows you to upload and store images of receipts online

#### Other account fees

**\$2.50\*** per ATM transaction. In addition to our fee, the bank/ATM you use to withdraw funds may charge you their own fee.

**\$20.00\*** per outbound transfer or rollover to another HSA custodian.

**\$1.50** printed statement fee. If you do not choose online delivery for your account statements, we may charge this fee for every statement we mail to you. Note: there is no charge for online statement delivery.

### Investment account<sup>†</sup>

#### Monthly investment fee

**\$0.00 - \$3.00**

#### Investment threshold

**\$500.00 - \$2000.00** – The balance in your HSA must remain at or exceed the Investment Threshold each time a new investment is made.

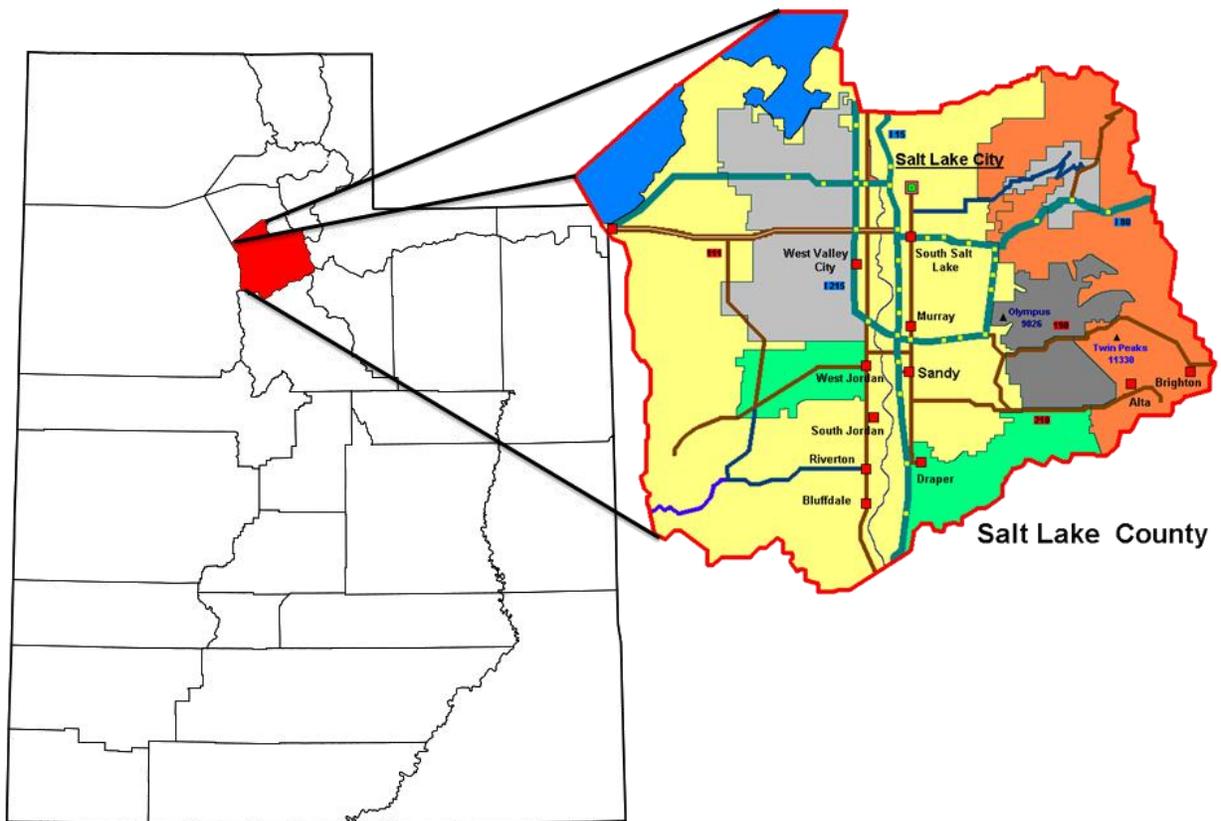
*†Investments are not FDIC-insured, are not guaranteed by Optum Bank and may lose value.*

*Betterment Investment Fee: 0.50% per year on your invested balance. Accrued on daily basis, and charged quarterly, and deducted from Betterment account.*

*Schwab Health Savings Brokerage Account: \$0.00. There is no monthly maintenance fee for Schwab HSBA, zero commissions, and no fee for online trades. Transaction fees apply to certain investments and for Broker-Assisted trades.*

**Map of Bank Assessment Area**

**Salt Lake County**



### **HMDA Disclosure**

Optum Bank is not licensed to, nor did it originate any 1-4 family home loans during the last two calendar years and was not required by law to file the HMDA LAR in 2024 or 2023.



# **Community Reinvestment Act**

STRATEGIC PLAN

2024 – 2028

(Public Copy)

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# Introduction

## Overview

As a federally insured depository institution, Optum Bank (“the Bank”) is subject to the Community Reinvestment Act (“CRA”), codified at 12 USC 2901-2908, which requires banks to identify and help meet the credit needs of their communities including low- to moderate-income (“LMI”) individuals and geographies.

Due to the unique business, products, and overall performance context, the Bank has determined that a CRA Strategic Plan is the preferred method for the Bank to fulfill its obligations under the CRA. The Bank has been operating under FDIC approved CRA Strategic Plans since March 24, 2006.

The Bank and its ultimate parent company UHG, are deeply committed to the communities we serve, especially those individuals, families, and communities of low- or moderate-income and fulfilling and exceeding CRA requirements and obligation is foundational to this commitment.

## Optum Bank Profile

Optum Bank is an Industrial Bank (“IB”) chartered by the State of Utah and is jointly regulated by the Federal Deposit Insurance Corporation (“FDIC”) and the State of Utah Department of Financial Institutions (“UDFI”).

Optum Bank is a wholly owned subsidiary of Optum Financial, Inc. (“Optum”), which is itself a wholly owned subsidiary of UnitedHealth Group, Inc. (“UHG”) a diversified health and wellness company dedicated to helping people live healthier lives. UHG is a public company traded on the New York Stock Exchange under the symbol UNH.

The bank has a single office located at 12921 S. Vista Station Boulevard in Draper, Utah where it employs 91 full time employees (“FTE”) and projects an increase of 15 FTEs per year throughout the plan period. The bank is managed by an independent Board of Directors (“Board”) and a robust management team. The President and CEO of the Bank is a member of the Bank Board and has a direct reporting relationship with the Board and internal functional reporting relationship with Optum. The Bank is not a traditional bank. It is not open to the public and does not offer typical banking services, nor does it have any branches. Effective April 10, 2018, the Bank received approval for a Wholesale Bank designation because of its limited lending activity, none of which is to the retail public.

# Commitment to CRA Compliance

## CRA Administration

The Board has appointed the Bank's Chief Compliance Officer to oversee CRA and retained a CRA Officer who is responsible for monitoring and administering the Bank's activities in relation to Plan objectives. The CRA Officer will coordinate with other Bank departments to fulfill CRA loan, investment, and service targets. Quarterly report of CRA activities, Plan objectives and status, and other relevant information will be provided to the Compliance Committee, and ultimately reported to the Board.

Bank employees are provided annual training on the CRA to ensure they understand the requirements and obligations of the law. Employees demonstrate their commitment to CRA compliance through service on boards and committees of organizations supporting vulnerable populations and by participating in Bank-sponsored volunteer service opportunities and activities.

## CRA Loan, Investment and Service Strategies

In considering how the Bank can best demonstrate its commitment to CRA compliance, management has developed and implemented strategies for CRA loans, investments, and service. The Bank's lending and investment activities are focused first on CRA qualified investments in the Bank's primary assessment area, second in the corresponding statewide and regional area in which the Bank's assessment area resides, and finally, consistent with the Wholesale Bank designation, outside its assessment area nationwide.

Areas of impact include:

- Pursuing loan and investment opportunities which improve access to, efficiency of, or capacity of the healthcare system, with an emphasis on healthcare delivered to low- and moderate-income individuals and in geographic areas where demographics reflect a need for healthcare delivery. The Bank may also support other community, state, or federal programs in the healthcare market which meet CRA qualified objectives through its investment and loan portfolio.
- Encouraging and supporting healthcare-based initiatives such as healthcare awareness, consumerization of healthcare, and healthcare education with an emphasis on low- and moderate-income individuals and geographies.
- Encouraging and assisting community development in making available affordable housing to benefit low- and moderate-income individuals and to promote housing availability among these populations and in geographies that may benefit LMI populations, through the Bank's participation in CRA qualified investment and lending programs.
- Where practical and consistent with the Bank's size, resources, and expertise, provide technical assistance and board service to community-based organizations that meet objectives outlined in this Plan or meet qualified CRA purposes. Grants and donations to such organizations may also be considered, particularly those agencies with which the Bank can additionally partner in offering loan, investment and/or service opportunities.
- Encouraging employees to participate as volunteers in qualifying community service activities as outline in the Plan and/or that are otherwise qualified service activities under CRA regulation and regulatory guidance or interpretation.

- Partner with affiliated entities and organization within the UHG enterprise to deploy UHG resources in furtherance of CRA qualified activities and/or Plan objectives.

## Former and Ongoing Lending Activities

The Bank has endeavored to provide innovative and complex solutions at the intersection of affordable housing and healthcare especially as it pertains to social determinants of health. Social determinants of health are the conditions in which people are born, grow, work, live, and age, and the wider set of forces and systems shaping the conditions of daily life and affecting health status. Examples include but are not limited to:

- Loans to nonprofit organizations that facilitate the construction or rehabilitation of affordable housing especially as it pertains to social determinants of health. Examples include:
  - Loans to Rocky Mountain Community Reinvestment Corporation to provide financing for affordable housing projects targeted to LMI individuals and families.
  - Loans to Chicanos Por La Causa providing affordable housing with units set aside for individuals experiencing high-healthcare needs and receiving Medicaid assistance.
- Loans that promote economic development and job growth and may also improve the health and wellbeing of the community. Example:
  - Loan to finance a Federally Qualified Health Center.

## Former and Ongoing Investment Activities

Consistent with previous plans, the Bank will continue to purchase CRA qualified investments for its overall asset portfolio. The bulk of these investments have traditionally supported affordable housing for low- and moderate-income individuals but may also support the healthcare infrastructure in low- and moderate-income geographies. Additionally, the Bank has included and reported CRA qualified grants and donations to support the administrative management of organizations whose purpose is serving LMI individuals, families, or communities. Such examples include but are not limited to:

- Investments in bonds of specially designed loan pools that support affordable housing, like the:
  - Purchase of Utah Housing Bonds
  - Low Income Housing Tax Credits (LIHTC)
  - Granting of loan forgiveness on a loan balance to Volunteers of America
- Investments that support economic development and job growth and may also improve the health and wellbeing of the community, such as:
  - CRA qualified Small Business Administration (“SBA”) investment pools
  - CRA qualified investment, loan, or venture funds

## Former and Ongoing Service Activities

All Bank employees are encouraged to participate as volunteers in qualifying community service activities as outline in the Plan or that are otherwise qualified service activities under CRA regulation and regulatory guidance or interpretation. Examples include but are not limited to:

- Service on the board of directors or committees of organizations that provide affordable housing, promote economic development, or improve social determinants of health for LMI individuals, families, and communities. Recent service includes:

- Service on the board of directors of Utah Partners for Health
- Service on the board of directors and various committees of Rocky Mountain Community Reinvestment Corporation
- Service on the corporate council of The Fourth Street Clinic
- Service on the board of Families Promise Salt Lake
- Service on the development committee of The Children's Center
- Service on the board of Utah Youth Village
- Service on the board of No One Left Offline
- Working to improve financial literacy to LMI individuals by providing volunteer teachers and mentors to organizations with that goal and purpose. Examples include but are not limited to:
  - Service on the board and committees of Jr. Achievement
  - Teaching Jr. Achievement curriculum to students at schools where 50% or more of the student population qualifies for free or reduced lunch.
  - Raising awareness among LMI seniors about identifying and avoiding scams, preventing identity theft, choosing a financial caregiver, and planning for stages of cognitive decline.
  - Educating entry level Optum employees on financial concepts that can increase understanding of budgeting, saving and investing, preparing for homeownership, managing debt, increasing credit worthiness, and building wealth.



# CRA Performance Context

Performance context is broadly defined as the range of economic, demographic, and institution specific and community specific information needed to understand the needs of the community and how best to meet those needs given the Bank's business structure, strategy, and product offerings. The Bank has been operating under approved CRA Strategic Plans since March 2006. The most recent Plan covered calendar years 2019-2023.

## Community Needs Assessment

The Bank has undertaken an extensive community needs assessment and has sought input and suggestions from many sources. Information collected through formal reports and informal research include:

- US Census Bureau
- The Utah Economic Report to the Governor
- The Utah Office of Business and Economic Development
- The Federal Deposit Insurance Corporation

In addition to review of government and economic reports, the Bank has also developed relationships within the community to help it identify and meet community needs as part of its past and current CRA efforts. The CRA Officer has met formally with community groups, organizations, government employees, and others in the CRA banking community to discover emerging community needs.

Members of Bank management and executive teams provide volunteer service on boards and committees of non-profit organizations serving the needs of low- and moderate-income individuals, families, and communities. Maintaining these relationships, along with participation on nonprofit boards and committees, allow the Bank to stay closely informed of ongoing and emerging community needs.

List of boards and committee involvement can be found in Exhibit A.

## FDIC Performance Context Factors

### 1. 12 CFR 345.21(b)(1) – Demographic Data on Median Income Levels and Other Relevant Data

#### Demographic and Income Data

According to the US Census Bureau 2020, Salt Lake County had an estimated population of 1,185,238<sup>1</sup>. The 2022 FFIEC Census Report – Summary Census Housing Information estimated MSA/MD Median Family Income (“MFI”) for Salt Lake County was \$102,200<sup>2</sup>. The Low-, Moderate-, Middle-, and Upper-income categories for the county are listed in Table 1 below and are based on the median family income of \$102,200.

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<sup>1</sup> [U.S. Census Bureau QuickFacts: Salt Lake County, Utah](#)

<sup>2</sup> [FFIEC Census Reports](#) 2022

TABLE 1

<b>Salt Lake County Income Levels</b>		
<b>Income Category</b>	<b>MFI Criteria</b>	<b>Income Threshold</b>
Low	< 50%	Up to \$51,100
Moderate	50% up to < 80%	\$51,101 to \$81,760
Middle	80% up to < 120%	\$81,761 to \$122,640
Upper	120% +	\$122,641 +

Source: Federal Financial Institutions Examination Council ("FFIEC") US census tract data 2022 est.

The Bank assessment area is comprised of 251 census tracts which are broken down by income levels as determined by the FFIEC 2022 data and are show in Table 2 below.

TABLE 2

<b>Salt Lake County Population by Census Tract Income Level</b>				
<b>Census Tract Income Level</b>	<b># Tracts</b>	<b>% Tracts</b>	<b>Population</b>	<b>% Population</b>
Low	5	2%	23,302	2%
Moderate	56	22%	265,494	22%
Middle	115	46%	549,727	46%
Upper	71	28%	339,191	29%
Unknown	4	2%	12,144	1%
Total	251	100%	1,189,858	100%

Source: Federal Financial Institutions Examination Council ("FFIEC") US census tract data 2022 est.

LMI Census tracts in Salt Lake County represent about 24% of the total population. A complete list of all Salt Lake County census tracts by income level and median family income can be found in Exhibit B.

#### Nature of Housing Stock and Affordability

The 2020 census identified Utah as the fastest growing state in the nation at 18.4% growth between 2010 and 2020. Increase in housing units between 2010 and 2020 was 17.5% statewide with an increase of 64,248 units in Salt Lake County. Construction has not kept up with growth creating a shortage in housing supply and lead to a corresponding increase in housing prices<sup>3</sup>.

Census Bureau estimates as of July 2021 were that there were 440,493 owner-occupied housing units which represent 67.4% of the housing stock. With an average value of \$367,300, the cost per month is \$1,783. With home prices increasing and a shortage of housing stock, rental pricing has increased. Median gross rent is \$1,258 per month.<sup>4</sup>

"Salt Lake County's housing shortage and high home prices have led to the 'tightest' apartment market in the county's history," with a vacancy rate that, for the first time, dropped below 2% and

<sup>3</sup> [2022 Economic Report to the Governor \(utah.edu\)](#)

<sup>4</sup> [U.S. Census Bureau QuickFacts: Salt Lake County, Utah](#)

rental rates jumping up by double-digits. In Utah's capital, Salt Lake City, rental prices are even higher. The average rent for a two-bedroom unit there was \$2,157 in February 2021, up over 43% year over year, according to Rent.com. About 41% of renters in Salt Lake County are spending more than 30% of their income on housing and utilities, and nearly 19% of all renters spend more than 50% of their income.”<sup>5</sup>

### Economic Outlook<sup>6</sup>

Utah bounced back in 2021 from the pandemic recession shock. The state added a record-breaking 72,500 jobs over the year, recovering the 20,900 jobs lost in 2020 and gaining an additional 51,600 new jobs. By 2021, only Utah and Idaho had more jobs than in 2019. Comparatively, nationally, the jobs base is still 3.3% smaller than pre-pandemic.

Net in-migration reached a 16-year high in 2021, with nearly 35,000 new residents moving in from out of state. Population growth, combined with job and wage growth and low interest rates, fueled the ongoing real estate and construction boom. Strong demand continues to boost home prices, which increased a never experienced 23.5% over the year.

The most pressing risks will be growth-driven challenges such as a limited labor supply, increasing costs, and housing affordability. Declining fertility, air quality, and water challenges will also add pressure. Covid-19 and inflation pose additional downside risks. Utah’s fundamental advantages—a youthful demographic profile, economic diversity, a stable fiscal and regulatory environment, crossroads of the west location, global connections, and social cohesion—will continue to influence the state's economic position in 2022 and beyond. As long as major risks to the national expansion are not realized, Utah's economy will once again be among the best in the nation.

## **2. 12 CFR 345.21(b)(2) – Lending, Investment, and Service Opportunities in the Bank Assessment Area**

In addition to review of economic reports the Bank has also developed relationships within the community to help it identify and meet community needs as part of its past and current CRA efforts. Many of these relationships consist of non-profit entities serving the needs of low- and moderate-income individuals, families, and communities, community organizations, government employees and others in the CRA banking community. The Bank has sought input from these community organizations to understand the lending, investment, and service opportunities available within the Bank’s assessment area. It was determined that the most critical needs are as follows:

- Housing – access to affordable housing including down payment assistance, credit counseling and budgeting, homeowner readiness, and foreclosure assistance.
- Healthcare – lack of health insurance and the high cost of healthcare.
- Employment – access to education and job training and opportunities for employment beyond minimum wage jobs.

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<sup>5</sup> [Salt Lake County is facing the tightest rental market in its history | KSL.com](#)

<sup>6</sup> [Utah Economic Report to the Governor 2022 Highlights.pdf](#)

- Food – accessibility to healthy food with added pressure caused by recent high inflation.
- Support for Small Business – loans to small business to sustain business through economic downturns and provide the ability to grow; particularly women and minority owned small businesses.

Considering the above needs, this Plan will focus on three areas of community development: Community development loans (“CRA loans”); qualified investment, including grants (“CRA investments”); and community development service (“CRA service”).

- Affordable Housing Loans & Investments
- Donations and Grants to organizations serving LMI populations
- Services as they relate to the provision of financial services including financial literacy

Specific CRA loan, investment and service examples and strategies are outlined in the Commitment to CRA Compliance section above.

### 3. 12 CFR 345.21(b)(3) – The Bank’s Product Offerings and Business Strategy

The Bank’s strategic focus is to provide innovative solutions and an exceptional experience assisting customers in becoming more informed and confident health care consumers as they save and pay for healthcare expenses. The Bank offers healthcare banking solutions to various health plans, health plan administrators, and health care providers within acceptable risk tolerances and parameters established by the Bank’s Board of Directors. Its primary products include the following:

- Health Savings Account (“HSA”) deposit accounts to individual consumers
- Commercial lending products and loan participations providing credit to healthcare providers
- Electronic payment processing to support healthcare payment delivery between payers and providers
- Card products in support of health incentive and wellness accounts

The Bank does not originate home mortgage, small business, small farm, or consumer loans including automobile loans to retail customers. Because of this business model and limited lending activity, none of which is to the retail public, the Bank submitted and received approval for a Wholesale Bank designation effective April 10, 2018.

The Bank is a market leader in HSAs and HSA administration and is the preferred HSA custodian for over 61,000 employer groups currently servicing over 4.8 million individual HSA accountholders. HSAs are core deposits with transactional capability but are also often used as long-term savings vehicles because of their tax advantages to the account holder. As of September 30, 2022, HSAs accounted for 98.6% of total Bank deposits. The Bank has historically grown through its relationship with health plan sponsors (both insured and self-funded, employer plan sponsors), health plan administrators and health care providers.

To be eligible to open and contribute to an HSA an individual must be enrolled in an IRS qualified high-deductible health plan, often offered by the individual’s employer. Once an HSA is opened, the account holder can contribute to the account on a pre-tax basis, subject to annual

contribution limits set by the federal government, with asset appreciation and distributions from the account exempt from federal income tax when used for qualified medical expenses under IRS rules. The monies in an HSA can be used by the account holder to pay for or be reimbursed for qualified medical expenses in a current year or can be saved for medical expenses in future years. Due to their tax advantaged nature, HSAs are increasingly becoming long-term savings vehicles for medical expenses in retirement.

The Bank extends credit in various commercial loan and lease products to further diversify the Bank's balance sheet and improve the yield on its earning assets. Lending and credit products are employed selectively to help optimize the overall portfolio management strategy of the Bank. The Bank's current lending products consist of commercial mortgage, syndicated, and other loan participations; medical equipment leases; provider working capital loans to providers within the Optum network; and direct lending to support the Bank's CRA portfolio. At the close of the third quarter of 2022, the Bank's loan-to-asset ratio was 24.6%, reflective of the continued growth of the deposit base and a business model that is not dependent on loan growth.

The Bank processes electronic healthcare claims payments on behalf of affiliates and third parties to more than 434,000 doctors, clinics, and other healthcare providers via the ACH network.

Additionally, the Bank issues debit cards for HSAs, health benefits cards for Flexible Spending Accounts and Health Reimbursement Arrangements, and incentive rewards cards used by employers and other third parties to encourage health behaviors.

Strategic planning is an ongoing exercise and the Board and management continue to evaluate products and consider enhancements and alternative to serve our customers and maximize shareholder value. While the Bank intends to maintain its current product offerings and methods of sourcing business, the Bank will remain open to opportunities that are consistent with the Bank's charter, objectives, strategic focus, and overall management skill.

#### 4. 12 CFR 345.21(b)(4) – Institutional Capacity and Constraints

##### Institutional Capacity

The Bank has maintained strong growth. Information in Table 3 below illustrates the Bank's financial condition and performance since 2018.

TABLE 3

<b>Optum Bank Growth and Profitability</b>			
<b>Year</b>	<b>Total Average Assets (000s)</b>	<b>Net Income (000s)</b>	<b>Equity Capital (000s)</b>
2018	\$ 9,397,204	\$ 202,632	\$ 1,115,331
2019	\$ 10,839,232	\$ 295,523	\$ 1,587,522
2020	\$ 12,465,540	\$ 271,128	\$ 2,010,514
2021	\$ 15,071,311	\$ 273,353	\$ 2,056,938
2022	\$ 16,763,924	\$ 303,815	\$ 1,502,813

Publicly available information regarding the Bank's financial condition (e.g., assets, liabilities,

and income) as of December 31, 2022, can be found in Exhibit C. This same information can be accessed online at <https://cdr.ffiec.gov/public>. The Bank and its Board project continued growth and have a pro forma projection of approximately \$23 billion in assets by 2025.

### Constraints

National politics surrounding the healthcare industry currently present the biggest threat to the Bank’s ability to meet its financial projections and could also impact the various strategies contemplated by the Bank for achieving the goals outlined in this Plan. Any adverse regulatory changes could potentially materially impact the Bank and could have a significant, negative impact to the Bank’s earnings. Such areas could include legislation or IRS interpretations affecting Health Savings Accounts; changes to, outright repeal of, or piecemeal dismantling of the Patient Protection and Affordable Care Act and increased uncertainty in the healthcare industry due to a highly polarized political climate; regulatory activity around the Industrial Bank charter and the availability of new banking charters; or increased regulatory burden which make the Bank’s underlying businesses unprofitable.

The Bank competes with numerous other Utah-based institutions and other Industrial Banks, many of whom are evaluated under Strategic Plans or the Community Development test. As a result, there is significant competition for CRA loan and investment assets within Salt Lake County. This may result in some difficulty in finding qualified CRA loans and investments in the designated assessment area and necessitate expansion into the greater statewide and regional area which include the assessment area as discussed previously and as consistent with the Wholesale Bank designation. While the Bank believes that its healthcare focus and expertise and relationships that it has established in previous Plans will enable it to meet the targets outlined in this Plan, it will nonetheless remain vigilant in cultivating and pursuing new CRA activities and opportunities.

## 5. 12 CFR 345.21(b)(5) – The Bank’s Past Performance and the Performance of Similarly Situated Lenders

### Bank Performance

The Bank’s two most recent CRA examinations can be found on the FDIC website.

Exam conducted in 2020 – rating of “Outstanding” was assigned.<sup>7</sup>

Exam conducted in 2017 – rating of “Outstanding” was assigned.<sup>8</sup>

### **Historical New Annual Community Development Activity**

Plan Year	Goals		Performance		
	Satisfactory	Outstanding	Loan & Investment Total (000s)	Year End Ave. Assets (000s)	Actual Percentage
2019	0.40%	0.60%	\$63,651	\$10,839,232	0.61%
2020	0.40%	0.60%	\$86,584	\$12,465,540	0.72%
2021	0.40%	0.60%	\$126,804	\$15,071,311	0.88%
2022	0.40%	0.60%	\$216,812	\$16,763,924	1.33%

<sup>7</sup> [Optum Bank CRA Performance Evaluation March 2020 \(fdic.gov\)](#)

<sup>8</sup> [Optum Bank CRA Performance Evaluation January 2017 \(fdic.gov\)](#)

### Historical Cumulative Community Development Balances

Plan Year	Goals		Performance		
	Satisfactory	Outstanding	Loan & Investment Total (000s)	Year End Ave. Assets (000s)	Actual Percentage
2019	0.80%	1.00%	\$110,417	\$10,839,232	1.06%
2020	0.90%	1.15%	\$144,669	\$12,465,540	1.20%
2021	1.00%	1.30%	\$178,523	\$15,071,311	1.23%
2022	1.10%	1.50%	\$283,212	\$16,763,924	1.74%

#### Analysis of CRA Loans and Investments Performance

The Bank has increased its impact in community development year over year and has encouraged its affiliates to invest additional dollars in the Bank's assessment area and its surrounding communities. In 2021 the Bank's affiliates contributed \$22.7 million in new community development lending and investment focused on affordable housing as it relates to and impacts social determinants of health.

#### CD Service Hours Performance

### Historical Community Development Service Hours

Plan Year	Goals - Hours Per FTE			Performance – Total Hours		
	Satisfactory	Outstanding	FTE	Satisfactory Target	Outstanding Target	Total Hours
2019	4	5	179	716	895	903.75
2020*	4.25	5.5	207	879.75	1138.50	141
2021*	4.25	6	212	901	1272	225.75
2022	4.5	6	194	873	1164	1499.25

\*Covid-19 closures impact

#### Analysis of Peer Performance

Optum Bank has not identified any similarly situated institutions offering health savings products and other healthcare banking solutions to various health plans, health plan administrators, and health care providers.

There are several Utah chartered industrial loan corporations and industrial banks demonstrating CRA compliance using a CRA Strategic Plan. The Bank has identified other non-traditional branchless institutions who operate from one office doing business nationally online to benchmark and compare CRA strategy and goals.

Peer Institution Benchmarking							
Institution	Total Average Assets*	New Activity		Cumulative Activity		Service Hours	
		Satisfactory	Outstanding	Satisfactory	Outstanding	Satisfactory	Outstanding
Comenity	\$14,087,732	0.40%	0.60%	1.25%	1.50%	10	12
Sallie Mae	\$29,004,744	0.43%	0.55%	n/a	n/a	4	5
BMW	\$12,009,213	0.35%	0.50%	1.25%	1.75%	17	26
Medallion	\$1,917,904	0.40%	0.60%	1.30%	1.75%	5	6
Celtic	\$2,003,010	0.40%	0.60%	n/a	n/a	3.5	4.5
UBS	\$118,920,040	0.30%	0.40%	n/a	n/a	5	7
<b>Optum</b>	<b>\$16,763,924</b>	<b>0.45%</b>	<b>0.65%</b>	<b>1.20%</b>	<b>1.60%</b>	<b>4.5</b>	<b>6</b>

\*(000s) as of 12/30/2022

Summary of Comparative Peer Review

Optum Bank has set goals for new annual community development activity at a higher level than other institutions in its peer review. Cumulative community development balances have continued to increase at Optum Bank since its last approved plan and have reached comparable level with other institutions in its peer review. The Bank’s assets have doubled since 2017. Congruent with its average asset size growth, the Bank has had a growing impact on the community and feel the goals set forth in this Plan are appropriate and compare favorably to the community development goals of similar institutions. Service hour goals in the peer review vary by institution prompting the Bank to set goals in a range compatible with employee expertise and commitment.

**6. 12 CFR 345.21(b)(6) – The Bank’s Public File and Any Written Comments About the Bank’s CRA Performance**

The Bank maintains a public file in accordance with 12 CFR 345.43 that is available for inspection upon request. As of the time of this writing, the Bank has not received any written comments about its CRA performance.

**7. 12 CFR 345.21(b)(7) – Any Other Information Deemed Relevant by the FDIC**

Management and the Board believe this CRA Strategic Plan represents a fair and reasonable approach to meeting the Bank’s CRA regulatory and community obligations and is not aware of any other contextual information the FDIC should consider in its review and approval of this proposed Plan.

# CRA Strategic Plan

## Historical and Ongoing Bank Focus

As a bank which does not have branches, operates out of a single office, and has a wholesale bank designation, Optum Bank has opted to be measured under the CRA Strategic Plan option. Historically, the Bank's measurable CRA Strategic Plan goals and efforts have fallen into three categories from which the Bank has developed corresponding goals.

- New CRA Loans and Investments
- Cumulative CRA Loans and Investments
- CRA Qualified Service Hours

## Strategic Plan Goal Definitions

The Bank believes its measurable goals for this CRA Strategic Plan should continue to fall within the three categories of New CRA Loans and Investments, Cumulative CRA Loans and Investments and CRA Service.

Goal 1 and Goal 2 are reported as a percent of average assets. Asset figure used in the goal calculation will be as of December 31<sup>st</sup> of each year as reported on Line 9, Schedule RC-K of the Bank's Call Report. If examination or evaluation is needed prior to year-end, average assets will be calculated by averaging the last four quarterly figures as reported on Line 9, Schedule RC-K of the Bank's Call Report.

### Goal 1

New CRA Loans and Investments include the origination amount (or as applicable, commitment) of new community development loans and investments originated or purchased during each Plan year, expressed as a percentage of Bank average assets for the same year. New loans for a plan year can include loan originations, purchases, participations, lines of credit/binding commitments and renewal or refinancing of all such instruments. The Bank may also claim credit for CRA qualified lending and investment activity of affiliated entities in fulfillment of Plan goals.

### Goal 2

Cumulative CRA Lending and Investments include all amounts calculated under Goal 1 plus the amount of prior period investments as of the end of the Plan year. Prior period investments are defined as those investments made for qualifying CRA purposes in a previous year (Bank or affiliate activity) but have outstanding/unamortized balances in the current year. The amount included will be the value of the investment as of the end of the plan year.

### Goal 3

Annual Service Hours will be calculated using a count of Utah based in office or hybrid full-time employee ("FTE") count as of January 1 of each calendar year when seasonal FTE count is at a peak. (Those employees who are not based in Utah or telecommuters who do not work in the office will not be included in the FTE count but may contribute service hours if activities fall at a time where the employee may be in town on Bank business.) That count will then be multiplied by the hour goals for Satisfactory and Outstanding to arrive at an overall service hour commitment for the subject year based on the average hours per FTE goal. Given the changing

employee mix and unique seasonality of customer demand and corresponding capacity constraints, the Bank feels these are reasonable yet still demanding hourly targets.

### Strategic Plan Goals

CRA Strategic Plan Goals						
Plan Year	Goal 1 New CRA Lending & Investment		Goal 2 Cumulative CRA Lending & Investment		Goal 3 Service Hours	
2024	0.45%	0.65%	1.20%	1.60%	FTE x 4.5	FTE x 6
2025	0.45%	0.65%	1.20%	1.60%	FTE x 4.5	FTE x 6
2026	0.45%	0.65%	1.20%	1.60%	FTE x 4.5	FTE x 6
2027	0.45%	0.65%	1.20%	1.60%	FTE x 4.5	FTE x 6
2028	0.45%	0.65%	1.20%	1.60%	FTE x 4.5	FTE x 6
Goal 1&2 expressed as a percent of average assets reported on Line 9, Schedule RC-K of the Bank's year end Call Report						

All goals will be measured as of December 31<sup>st</sup> of the subject Plan year. The Bank's intent is to meet or exceed all the goals set herein. However, should the Bank fall short of a given rating in one or more goal areas, the combined lending and investment goals are weighted at 80% of the CRA rating for that year, divided equally between Goal 1 and Goal 2. The remaining 20% overall weight is assigned to Goal 3. Outperformance in one or more goals can be considered as a compensating factor for other goals when considering the overall rating assigned.

### Strategic Plan Goal Term

The term of this Plan will be 5 years, beginning January 1, 2024, and extending through December 31, 2028. This plan lays out distinct annual goals to quantify and measure the Bank's performance measured as of December 31 of each year of the Plan.

# CRA Administration

## Structures Supporting the Plan

The Bank's Board of Directors, having approved this plan, will oversee management's execution, and will allocate the resources necessary to achieve the Plan's stated goals. The Bank's CRA Officer will provide a quarterly report of the Bank's performance under the Plan to the Compliance Committee, and ultimately reported to the Board.

The Bank's CRA Officer will oversee the administration of the Bank's CRA Program and this Strategic Plan. The CRA Officer will work with Bank management to develop and implement strategies to meet the goals stated in the Plan. Potential CRA lending and investment opportunities will be reviewed by the credit and treasury departments respectively to ensure they are consistent with safe and sound banking practices.

One of the strategies developed to meet the goals stated in the Plan is the creation of a CRA Working Group, which includes members of senior management, management, and entry level staff, who will review donation and grant requests from organizations serving LMI populations for program and administration services use. The Working Group will meet no less than quarterly. A written report prepared by the CRA Officer will outline the Bank's grant making efforts and performance under this Plan and will be included in the quarterly report to the Compliance Committee.

## Election of Alternate Method for CRA Performance Evaluation

The Bank anticipates meeting or exceeding the goals outlined in this Plan for either Satisfactory or Outstanding performance and prefers to be evaluated against the goals outlined in this Plan. As discussed previously, the Bank also submitted and received approval for a Wholesale Bank designation under 12 CFR 345.25(b), effective April 10, 2018. As discussed throughout the document, it will leverage the unique capabilities of this designation in fulfilling the goals of this Plan. Should it not meet the goals outlined in this Plan sufficient to achieve a Satisfactory rating, it would elect to be evaluated as a Wholesale Bank.

## Reporting Obligations Under the CRA

Nothing in this Plan negates or modifies the need for the Bank to collect, report, or disclose any information required under 12 CFR 345.42 of the FDIC Rules and Regulations. The Bank will report, as applicable, small business and community development loans originated or purchased during the calendar year.

## Requests, Approvals and Submission

In addition to the established relationships with community organizations, community outreach, and interviews conducted by Bank management in conducting the assessment of community needs and the Bank's capacity and resources to address those needs, the following steps were taken to solicit comment and obtain appropriate approvals for this Plan:

- Public Comment. Management formally solicited public comment on the Plan by publishing notice of the 30-day public comment period in the Salt Lake Tribune and Deseret News, daily newspapers of reasonable circulation within the assessment area. Proof of publication can be found in Exhibit D.

- Board Approval. Management has kept the Board of Directors apprised of the Plan throughout the development process. Each Director reviewed and provided comments on the Plan before a regularly scheduled Board meeting held on March 29, 2023. At this meeting, the Plan was approved for submission to the FDIC upon expiration of the public comment period.
- The Plan will be officially submitted for approval to the FDIC's San Francisco Regional Office 60 days after publishing the Plan in the Salt Lake Tribune and Desert News allowing 30 days for public comment and 30 days to respond and incorporate public input. Any public comments or other feedback received during the public comment period requiring changes to the Plan will be addressed with the FDIC during the regulatory approval process.

## FDIC Request for Approval

The Bank respectfully submits that has fulfilled the regulatory requirements for strategic plans, including those governing the development of the plan and involvement of the public in the determination of community needs. As established herein, the Bank's CRA performance context supports the Bank's measurable Plan goals. Management believes that FDIC approval of the Bank's CRA Strategic Plan is appropriate under the FDIC's criteria for evaluation as outlined in 12 CFR 345.27(g)(3)(i)-(iii). The Bank respectfully requests FDIC approval of this CRA Strategic Plan.

## Bank Contact Information

For information regarding this plan, please contact:

Kim Hannay  
CRA Officer  
12921 S. Vista Station Blvd., Suite 200  
Draper, Utah 84020  
Office Phone: 801.982.3060  
Email Address: kim.hannay@optum.com

# Exhibits

## List of Exhibits

- A. Community Group Board and Committee Participation
- B. Proof of Publication and Request for Public Comment
- C. FFIEC Census Report for Salt Lake County
- D. Consolidated Reports of Condition and Income (as of December 31, 2022)

## Exhibit A – Community Group Board and Committee Participation

Organization	Description	Bank Service
Family Promise Salt Lake	Shelter and support for families experiencing homelessness	Board Member
Fourth Street Clinic	Healthcare for persons experiencing homelessness	Corporate Council
Jr. Achievement	Financial literacy, entrepreneurship, and work readiness	2 Board Members
NeighborWorks Salt Lake	Working to build and sustain LMI neighborhoods	Youthworks Committee
No One Left Offline	Broadband internet service for low-income populations	Board Member
Rocky Mountain Community Reinvestment Corp.	Offering sustainable direct lending, technical assistance, and community collaboration to facilitate affordable housing to LMI populations and underserved populations	Board Member Loan Committee Loan Pricing Committee Audit Committee
The Children's Center	Mental healthcare for children under age 7 and their families	Development Committee
University of Utah Opportunity Scholars	Mentoring and support for first generation college students from minority populations	Board Member Mentor
Utah Association of Financial Services Foundation	Grants to non-profits supporting LMI populations	Committee Member
Utah Housing Coalition	Housing and rental support for LMI populations	Member
Utah Partners for Health	Healthcare for LMI and underserved populations	Board Member
Utah Youth Village	Support for youth and families facing challenging life circumstances	Board Member
Volunteers of America	Shelter and support for individuals experiencing homelessness, addiction, and mental illness	Board Member Development Committee

## Exhibit B – Proof of Publication and Request for Public Comment

This is your confirmation that your order has been submitted. Below are the details of your transaction. Please save this confirmation for your records.

<b>Job Details</b>	<b>Schedule for ad number DN00199250</b>
Order Number: <b>DN0019925</b>	<b>Wed Apr 12, 2023</b>
Classification: <b>Other Notices</b>	<b>Deseret News Legals</b>
Package: <b>Legals</b>	<b>All Zones</b>
Order Cost: <b>\$32.94</b>	<b>Optum Bank Public Notice</b>
Payment Type: <b>Visa</b>	Optum Bank, an Industrial Bank chartered by the State of Utah and insured by the FDIC, has developed a strategic plan to meet its obligations under the Community Reinvestment Act. Public comment on this Plan is solicited. Copies of the Plan are available for review at no cost at the Bank's office or may be requested by phone, mail, or email. Requests for copies and/or comments may be submitted to Kim Hannay, CRA Officer, Optum Bank, 12921 S Vista Station Blvd, Suite 200, Draper, UT 84020, 801.982.3060, kim.hannay@optum.com. The public comment period is 30 days and will expire on May 15, 2023. <b>DN0000000</b>
<b>Account Details</b>	
Kim Hannay 801-982-3060 <a href="mailto:kim.hannay@optum.com">kim.hannay@optum.com</a>	
Optum Bank Credit Card - Visa *****6059	

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**Notice Content**

**Optum Bank** Public Notice **Optum Bank**, an Industrial Bank chartered by the State of Utah and insured by the FDIC, has developed a strategic plan to meet its obligations under the Community Reinvestment Act. Public comment on this Plan is solicited. Copies of the Plan are available for review at no cost at the Bank's office or may be requested by phone, mail, or email. Requests for copies and/or comments may be submitted to Kim Hannay, CRA Officer, **Optum Bank**, 12921 S Vista Station Blvd, Suite 200, Draper, UT 84020, 801.982.3060, kim.hannay@optum.com. The public comment period is 30 days and will expire on May 15, 2023. DN0000000

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**Exhibit C – FFIEC Census Report Demographic Summary Salt Lake County**  
*Attached*

**Exhibit D - Consolidated Reports of Condition and Income (as of December 31, 2022)**  
*Attached*

### **Public Comments**

Optum Bank has not received any written comments from the public for the current year and each of the prior two calendar years that specifically relate to the bank's performance in helping to meet community credit needs.

Current as of: 04/01/2025



July 13, 2023

Kim Hannay  
CRA Officer  
Optum Bank, Inc.  
12921 S. Vista Station Blvd., Suite 200  
Draper, Utah 84020

RE: Submission of Community Reinvestment Act (CRA) Strategic Plan (Plan)

Dear Ms. Hannay:

This letter serves as formal notification that the FDIC has approved the CRA Plan submitted by Optum Bank, Inc. on May 18, 2023. The CRA Plan is effective as of January 1, 2024, and will expire on December 31, 2028. This approval is based on the bank's goals for new and cumulative community development loans/qualified investments, community development grants and donations, and community development services. Any modifications to the bank's business plan may have a corresponding material effect on the approved performance goals. In the event of such changes, you are advised to notify the San Francisco Regional Office to determine whether an amendment to the CRA Plan is appropriate.

We appreciate your cooperation during the review process, and we look forward to the bank accomplishing each of the goals set forth in the CRA Plan. If you have any questions, please contact Review Examiner Michael G. Lapinsky at (415) 808-8047, or [mlapinsky@fdic.gov](mailto:mlapinsky@fdic.gov).

Sincerely,

DANA CRUTCHFIELD

Digitally signed by DANA  
CRUTCHFIELD  
Date: 2023.07.13 10:09:04 -07'00'

Dana L. Crutchfield  
Deputy Regional Director

cc: Darryle P. Rude  
Commissioner of Financial Institutions