

Florida Hospital and United Healthcare officials agreed to a last-minute contract extension Friday afternoon, letting United Healthcare customers breathe a sigh of relief while the two health-care giants return to the negotiating table.

The 30-day contract extension will enable 400,000 United Healthcare customers to continue to see their doctors and use Florida Hospital facilities at in-network rates until Sept. 14.

Florida Hospital spokeswoman Samantha O'Lenick said the two parties are very close to a new contract and need the additional time "to allow us to finalize a new agreement."

"We have reached agreement on the major issues and we're very confident that a new contract will be reached. We just have to dot the i's and cross the t's," she said.

United Healthcare spokeswoman Tracey Lempner said negotiations would continue next week.

The current contract was set to expire at 11:59 p.m. Saturday, and although there had been some late maneuvering, United Healthcare and Florida Hospital could not get a new contract in place by the deadline.

Executives from both sides have been meeting since November, but they remained at an impasse much of that time. Florida Hospital submitted two proposals -- one on July 12 and another Aug. 3 -- and United Healthcare countered with its own proposal Aug. 12, just days before the contract deadline.

The sticking point between the two parties has been rates. United Healthcare executives say that the rate increases Florida Hospital is seeking are too high and claims those increases will push health-insurance costs for businesses and their employees even higher. Early in the discussions, United said the initial contract submitted by Florida Hospital would work out to a 63 percent increase over four years.

Florida Hospital executives say they simply want United to pay what the other major insurers pay.

The public debate was sparked by the flurry of letters that many United Healthcare customers received in mid-July, warning them that a doctor they see or a hospital they have visited may soon be out-of-network if the two parties couldn't agree on a new contract.

Since then, consumers such as Richard Smith, a colon-cancer patient who lives in Oviedo, have been fuming. Instead of focusing on his health, Smith has spent days trying to get answers about whether his treatment, which costs \$26,000 a month, will be covered.

Patients seem to have been forgotten in the contract squabble, say consumer advocates.

"From a consumer perspective, this shows how patients -- who are the real stakeholders in

decisions about the health-care system, as well as the ones who pay for it -- are nevertheless the only ones without a seat at the table. And they're the first ones to suffer the consequences from a breakdown," said Laura Goodhue, executive director of Florida CHAIN, a consumer health advocacy group.

The bickering between the two sides has angered consumers and caused many to spend hours trying to navigate the system for answers, says Becky Cherney of the Florida Health Care Coalition, whose members include Disney and other major employers.

"People are very angry about health care. Events like this increase the anger," Cherney said. She warns that even this last-minute agreement should be a cautionary tale for local health-care consumers, many of whom have discovered that their doctors are employed by a hospital system.

"I think it has thrown up a red flag around hospitals owning doctors. Hospitals are gaining too much power," Cherney said. "Creating competition in our oligopolistic market place is an option to be studied."

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