Continuum Health Partners and its Member Hospitals And Affiliated Physicians Face Possible Termination from Insurance Plans Sponsored by United Healthcare – Affecting Hundreds of Thousands of New Yorkers

Continuum Health Partners – one of the largest health care providers in the U.S. and the parent company for Beth Israel Medical Center, St. Luke's and Roosevelt Hospitals, Long Island College Hospital of Brooklyn and New York Eye and Ear Infirmary – has been preparing its patients and physicians for possible termination from insurance plans sponsored by United Healthcare, one of the country's largest health insurers, including the local Oxford Health Plan. The contract between United and Continuum that sets the terms by which United pays for services, expired on January 1, 2010 for some United products (March 1, 2010 for other products) and could affect hundreds of thousands of New Yorkers and thousands of affiliated physicians.

The patient care volume provided by the Continuum hospitals includes almost 700,000 days of inpatient care; over 75,000 operating room procedures; over 250,000 emergency room visits, almost 12,000 births; and over 1.2 million ambulatory patient visits.

According to Continuum officials, the main obstacle in negotiations is United's demand for unreasonable contract terms that would result in reductions in reimbursement for services, despite United receiving record earnings in the past year and increasing premiums an average of 15% in 2010, with some businesses seeing over 25% increases in their 2010 monthly payments to United for insurance.

"While we have always remained open to further negotiating, Continuum hospitals and physicians simply cannot accept United's requirements to comply with unfair business practices that reduce our reimbursement and prevent us from being paid for medically necessary services that we provide to United and Oxford members," said Ruth Levin, Continuum's Senior Vice President for Managed Care and the hospital system's lead negotiator in talks with United.

United has notified hundreds of Continuum's affiliated physicians that they, too, will be terminated on March 1, 2010, assuming the parties will be unable to reach agreement on a new hospital contract. However, United did not notify most of its members of this pending change, especially seniors who are in the Medicare time-limited open enrollment period. Continuum sent letters to seniors and many other United customers to ensure they could take action to switch plans and avoid the disruption this termination would cause. Several employers took action to reopen their enrollment period or switch plan coverage so employees could pick a plan that allowed them to stay with their Continuum physician.

In addition, Continuum hospitals and affiliated physicians have been inundated with calls from frantic patients worried about no longer being able to see their doctors or receive treatment at a Continuum hospital. Physicians in internal medicine, pediatrics and OB-GYN, as well as specialists including those in cancer treatment, orthopedics, and general surgery, have been told by United that their participation ends on March 1, 2010. “We believe that United Healthcare’s action in terminating our physicians so abruptly is a violation of Public Health Law §4406-d(2),” Ms. Levin said, adding that Continuum has been in touch with New York State Attorney General Andrew Cuomo office, as well as the Department of Health, on this issue.

“To put patients who are undergoing current care in a position of fear that they would lose the physician with whom they have an ongoing trusting relationship is detrimental to both their physical and mental well being and therefore unconscionable,” said Jane Falkenstein, MD, an attending physician in internal medicine affiliated with Beth Israel and a practitioner with many patients insured under United and Oxford..

If United and Continuum are not able to reach an agreement, patients insured by United that wish to continue to see their Continuum physician will be forced to pay out of pocket for costs that United will not cover. In addition, employer groups and small businesses will be impacted by this termination. “Employers will be forced to pay the Continuum hospitals much more for emergency care -- both treat-and-releases and admissions that come through the ER, which is a very high percentage of most employers’ costs.” Ms. Levin said. “In addition, elective surgeries and deliveries will cost employers more than they would pay if we were to reach agreement on a reasonable increase.

“Given the current economic environment it doesn’t make sense to put patients and their employers through this.”