

UnitedHealth Group acquiring Mid Atlantic Medical Services

MINNETONKA, Minn. — Managed care giant UnitedHealth Group has agreed to buy Mid Atlantic Medical Services Inc. in a \$2.95 billion deal that would give the combined company a leading position in the mid-Atlantic region.

UnitedHealth said it will pay \$860 million in cash and approximately 38.6 million in net shares. The deal values MAMSI shares at \$62.49.

Rockville, Md.-based MAMSI owns and operates health maintenance organizations and provides related services for approximately 2 million people in Maryland, the District of Columbia, Virginia, Delaware, West Virginia, northern North Carolina and southeastern Pennsylvania.

Together, UnitedHealth and MAMSI provide health benefits or related network services to more than 3.5 million people in the region, making it a regional leader, UnitedHealth chairman and chief executive William W. McGuire said.

MAMSI will keep its name and management team.

The deal is subject to approval by regulators and MAMSI shareholders. It's expected to close in the first quarter of 2004. □

Doctors: Most ground zero workers still in poor health

NEW YORK (AP) — Most ground zero workers still suffer from health problems two years after Sept. 11 and many do not have health insurance or job security, doctors recently told a congressional panel.

Several of the workers testified at a Manhattan hospital before the committee, saying they had trouble breathing, suffered from post-traumatic stress disorder and no longer had the strength to do their old jobs.

"I can't tell you how hard it is living like this," said David Rapp, a construction worker who spent five months at the World Trade Center site and now always carries an oxygen tank and uses three inhalers. "The fear of not being able to take my next breath is unbearable."

Rapp said he built docks and rebuilt cars before Sept. 11, 2001, but can no longer take out his garbage or change a flat tire.

John Graham, a carpenter and emergency services worker who spent three days a week at the site for several months, said he has asthma and is sometimes too sick to work. "I'm a chronically ill man who's anxious about my ability to support my family," he said.

Robin Herbert and Stephen Levin, the co-directors of a federal screening program at Mount Sinai Medical Center for ground zero workers, said they had examined 8,000 workers, 75 percent of whom had persistent respiratory problems. Forty percent of the workers suffer from mental health problems after the 2001 terror attack, the doctors said, but 40 percent also do not have health insurance.

The doctors said the program had only enough funding — \$56 million of \$90 million allocated last year — to continue to screen and monitor workers for five years.

Herbert and Levin, who said the workers are at risk for developing cancer in the next decade, sought funding to screen more than 10,000 workers a year for the next 20 years. □