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METROPOLITAN HEALTH NETWORKS REPORTS 2006 FIRST QUARTER RESULTS

HMO Enrollment Continues to Grow

WEST PALM BEACH, FL, MAY 15, 2006 – Metropolitan Health Networks, Inc. (AMEX: MDF) (NYSE Arca: MDF), a leading provider of healthcare services in Florida, today announced financial results for the quarter ended March 31, 2006.

The Company recognized revenues of \$55.4 million for the quarter ended March 31, 2006 compared to \$45.5 million in the comparable prior year quarter, an increase of \$9.9 million, or 21.8%. Net income was \$672,000 compared to \$1.1 million for the quarter ended March 31, 2005. Earnings per share on a fully diluted basis were \$0.01 and \$0.02 for the quarters ended March 31, 2006 and 2005, respectively.

The 2006 first quarter results included a pre-tax loss of \$1.9 million for the Company's start-up HMO, compared to \$700,000 in the prior year's quarter. Sequentially, the quarter over quarter loss decreased from a pre-tax loss of \$2.5 million in the fourth quarter of 2005, as membership continued to grow. In addition, included in the 2006 quarter was stock-based employee compensation expense of approximately \$202,000 resulting from the adoption of SFAS 123(R) effective January 1, 2006. There was no comparable compensation expense recognized in 2005.

Total cash and equivalents and short-term investments at March 31, 2006 totaled approximately \$20.4 million as compared to approximately \$15.6 million at December 31, 2005. The Company had a working capital surplus of approximately \$21.9 million at quarter end, compared to a surplus of approximately \$21.1 million as of December 31, 2005. The Company has no outstanding debt and stockholder equity totaled \$30.6 million at March 31, 2006.

Total Medicare Advantage lives increased approximately 1,800 members from March 2005 to a membership of 28,250 in March 2006. Total March 2006 memberships for the PSN (Humana business) and HMO were 26,032 and 2,218, respectively. Member months, the combined total membership for each month of the measurement period, were 83,932 and 79,629 for the 2006 and 2005 quarters, respectively.

Michael Earley, Chairman and Chief Executive Officer, commented, "2006 is an important year for Metropolitan and its stakeholders as we watch our growth strategy unfold. More than a year ago we made the strategic decision to create, license, and launch a new Medicare Advantage business, with the expectation that a real and significant opportunity existed in many of Florida's non-urban counties. Under this strategy we leveraged the core competencies of our existing Medicare managed care business and our initial results appear to indicate that this risk was well worth taking. By all accounts 2006's first quarter was a success as our enrollment, member months, and related revenues have all grown nicely. METCARE Health Plans, Inc., our HMO, with its AdvantageCaresm brand and product has been well received in our initial six Florida counties and I'm pleased to note that enrollment in that business today is approximately 3,500 and growing."

Earley continued, "Membership and margin are the top two indicators of the health of our business. As the top line grew in the first quarter, we also saw improvement in our medical expense ratio, or MER, declining to 89.4% compared to 90.4% in the year ago quarter or 89.9% for the full 2005 year. A number of actions taken and initiatives launched last year contributed to this improvement as we continued to invest more of our professional, managerial, and employee capital in providing high quality health care to our customers, delivered in a thoughtful and coordinated manner. Our MER will continue to be a key barometer of our success in this regard. Overall we are pleased with our start in 2006 and we look forward to reporting our results as the year progresses."

Conference Call Information:

Metropolitan Health Networks will hold a conference call to review its first quarter 2006 results on Tuesday, May 16, 2006 at 11:00 a.m. Eastern. The call will be hosted by Michael Earley, Chairman and Chief Executive Officer. Interested parties may access the conference call by dialing the following numbers: (800)299-9086 (domestic) or (617) 786-2903 (international), pass code # 75186523. The call will also be available via web cast at www.metcare.com, <http://www.streetevents.com>, <http://www.fulldisclosure.com>

If you are unable to participate, an audio replay of the call will be available beginning two hours after the call and will be available until 11:59 p.m. on May 23, 2006, by dialing (888) 286-8010 (domestic) or (617) 801-6888 (international) using confirmation pass code 79362643. The call will also be archived on our website.

About Metropolitan Health Networks, Inc.:

Metropolitan is a growing healthcare organization in Florida that provides comprehensive healthcare services for Medicare Advantage members and other patients in South and Central Florida. To learn more about Metropolitan Health Networks, Inc. please visit its website at www.metcare.com.

Forward Looking Statements:

Except for historical matters contained herein, statements made in this press release are forward-looking and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Without limiting the generality of the foregoing, words such as "may", "will", "to", "plan", "expect", "believe", "anticipate", "intend", "could", "would", "estimate", or "continue" or the negative other variations thereof or comparable terminology are intended to identify forward-looking statements.

Investors and others are cautioned that a variety of factors, including certain risks, may affect our business and cause actual results to differ materially from those set forth in the forward-looking statements. These risk factors include, without limitation, (i) pricing pressures exerted on us by managed care organizations and the level of payments we receive under governmental programs or from other payors; (ii) future legislation and changes in governmental regulations; (iii) the impact of Medicare Risk Adjustments on payments we receive for our managed care operations; (iv) our ability to successfully recruit and retain medical professionals; (v) a loss of any of our significant contracts or our ability to increase the number of Medicare eligible patient lives we manage under these contracts; and (vi) our ability to successfully operate a healthcare management organization otherwise known as an HMO. The Company is also subject to the risks and uncertainties described in its filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2005.

Financial Tables to Follow

METROPOLITAN HEALTH NETWORKS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

<u>ASSETS</u>	<u>March 31, 2006</u> <u>(Unaudited)</u>	<u>December 31, 2005</u> <u>(Audited)</u>
CURRENT ASSETS		
Cash and equivalents	\$ 17,973,101	\$ 15,572,862
Short-term investments	2,380,026	-
Accounts receivable, net of allowance	4,513,350	4,183,974
Inventory	220,929	201,430
Prepaid expenses	688,095	473,286
Deferred income taxes	3,500,000	3,500,000
Other current assets	387,314	547,976
TOTAL CURRENT ASSETS	29,662,815	24,479,528
PROPERTY AND EQUIPMENT, net	1,130,146	899,998
INVESTMENTS	627,819	627,819
GOODWILL, net	1,992,133	1,992,133
DEFERRED INCOME TAXES	4,082,800	4,493,000
OTHER ASSETS	810,725	622,628
TOTAL ASSETS	\$ 38,306,438	\$ 33,115,106

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES		
Accounts payable	\$ 843,081	\$ 969,184
Advance premiums	2,245,579	-
Estimated medical expenses payable	1,893,515	694,410
Accrued payroll and payroll taxes	1,899,646	1,459,098
Accrued expenses	843,654	293,552
TOTAL CURRENT LIABILITIES	7,725,475	3,416,244

COMMITMENTS AND CONTINGENCIES

STOCKHOLDERS' EQUITY

Preferred stock, par value \$.001 per share; stated value \$100 per share; 10,000,000 shares authorized; 5,000 issued and outstanding	500,000	500,000
Common stock, par value \$.001 per share; 80,000,000 shares authorized; 49,876,526 and 49,851,526 issued and outstanding, respectively	49,876	49,851
Additional paid-in capital	40,393,268	40,182,889
Accumulated deficit	(10,362,181)	(11,033,878)
TOTAL STOCKHOLDERS' EQUITY	30,580,963	29,698,862
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 38,306,438	\$ 33,115,106

METROPOLITAN HEALTH NETWORKS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	For the three months ended March 31,	
	2006	2005
	(Unaudited)	(Unaudited)
REVENUES, net	\$ 55,433,533	\$ 45,519,566
OPERATING EXPENSES		
Direct medical costs	46,962,844	38,533,117
Other medical costs	2,585,666	2,636,975
Total medical expenses	49,548,510	41,170,092
Administrative payroll, payroll taxes and benefits	2,447,799	1,266,261
Marketing and advertising	973,930	371
General and administrative	1,589,917	1,376,573
TOTAL EXPENSES	54,560,156	43,813,297
OPERATING INCOME	873,377	1,706,269
OTHER INCOME		
Interest income, net	189,438	65,075
Other	19,082	70,258
TOTAL OTHER INCOME	208,520	135,333
INCOME BEFORE INCOME TAXES	1,081,897	1,841,602
INCOME TAXES	(410,200)	(697,000)
NET INCOME	\$ 671,697	\$ 1,144,602
EARNINGS PER COMMON SHARE:		
NET EARNINGS PER SHARE:		
Basic	\$ 0.01	\$ 0.02
Diluted	\$ 0.01	\$ 0.02