



OFFICE OF INSURANCE REGULATION

FILED

MAR 8 2014

KEVIN M. MCCARTY
COMMISSIONER

OFFICE OF
INSURANCE REGULATION
Docketed by: SPD

IN THE MATTER OF:

HUMANA MEDICAL PLAN, INC.
2012 Market Conduct Examination

Case No.: 144401-13

CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between HUMANA MEDICAL PLAN, INC. (hereinafter referred to as "HUMANA") and the OFFICE OF INSURANCE REGULATION (hereinafter referred to as the "OFFICE"). Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter of, and parties to, this proceeding.
2. HUMANA is authorized to transact business in Florida as a health maintenance organization.
3. The OFFICE conducted a market conduct examination of HUMANA, pursuant to Section 641.27, Florida Statutes. As a result, the OFFICE has determined that HUMANA has violated the following provisions of the Florida Insurance Code and/or Florida Administrative Code:
 - (a) Section 641.3155(3)(a) and 641.3155(4)(a), Florida Statutes – Failure to provide timely acknowledgement of the receipt of out-of-network claims.
 - (b) Section 641.3155(3)(b) and 641.3155(4)(b), Florida Statutes – Failure to pay, deny, or contest out-of-network claims within the required timeframe.

- (c) Section 641.3155(6), Florida Statutes – Failure to pay interest on overdue out-of-network claims.
- (d) Section 641.3903(5)(b), Florida Statutes – Payment of out-of-network claims on less favorable terms than those provided in the subscriber’s Schedule of Benefits.
- (e) Section 641.3156(2), Florida Statutes – Improper denial of claims due to internal coding errors.

4. The OFFICE and HUMANA expressly waive a hearing in this matter, and the making of Findings of Fact and Conclusions of Law by the OFFICE and other proceedings to which the parties may be entitled by law or by the rules of the OFFICE. HUMANA hereby knowingly and voluntarily waives all rights to challenge or to contest the provisions of this Consent Order, in any forum now available, including the right to any administrative proceeding, circuit or federal court action, or any appeal.

5. HUMANA agrees that upon the execution of this Consent Order it shall be subject to the following terms and conditions:

- (a) HUMANA shall pay a penalty of fifty-one thousand dollars (\$51,000) and an administrative cost of three thousand dollars (\$3,000) on or before the 30th day after this Consent Order is executed.
- (b) HUMANA shall provide to the OFFICE certification by an officer of the Company that corrective actions requested in the examination report have been completed. The certification is to be received within 30 days of the execution of the Consent Order.

6. HUMANA agrees that the failure to adhere to one or more of the above terms and conditions of this Order shall constitute a violation of a lawful order of the OFFICE, and shall subject HUMANA to such administrative action as the OFFICE may deem appropriate.

7. HUMANA is hereby placed on notice of the requirements of the above-referenced sections of law and agrees that any future violations of these sections by HUMANA may be deemed willful, subjecting HUMANA to appropriate penalties.

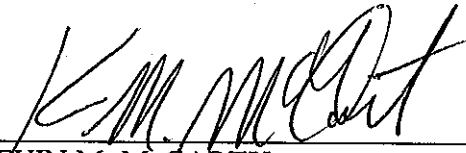
8. Except as noted above, each party to this action shall bear its own costs and attorney's fees.

WHEREFORE, the agreement between HUMANA and the OFFICE, the terms and conditions of which are set forth above, is APPROVED.

FURTHER, all terms and conditions above are hereby ORDERED.

DONE AND ORDERED this 3RD day of MARCH 2014.





KEVIN M. McCARTY
Commissioner
Office of Insurance Regulation

By execution hereof, HUMANA MEDICAL PLAN, INC. consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that he or she has the authority to bind HUMANA MEDICAL PLAN, INC. to the terms and conditions of this Consent Order and has personal knowledge of the Application and the information provided therein.

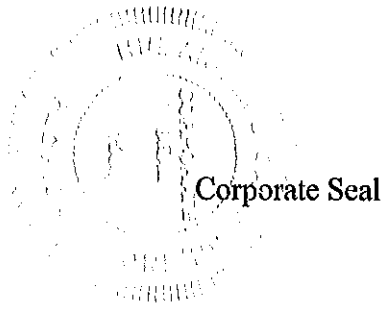
HUMANA MEDICAL PLAN, INC.

By Joan O. Lenahan

Joan O. Lenahan
Print or Type Name

Title: VP & Corporate Secretary

Date: 2/12/14



STATE OF Kentucky

COUNTY OF Jefferson

The foregoing instrument was acknowledged before me this ___ day of _____ 2014,
by Joan O. Lenahan as V.P. + Corporate Secretary
(Name) (Authority)

for Humana Medical Plan, Inc.
(Company Name)

[Signature]
(Signature of the Notary)

Michele Sizemore
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known or Produced Identification _____

Type of Identification Produced _____

My Commission Expires:

[NOTARIAL] **Michele H. Sizemore**
Notary Public
State at Large
Kentucky
My Commission Expires: 1-3-2015

COPIES FURNISHED TO:

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OFFICE OF INSURANCE REGULATION

KEVIN M. McCARTY
COMMISSIONER

INVOICE

ADMINISTRATIVE PENALTY IMPOSED BY CONSENT ORDER

In order to ensure that your payment is received and properly credited, please make your check payable to the Florida Department of Financial Services and return this invoice with your payment to:

**Department of Financial Services
Revenue Processing Section
P.O. Box 6100
Tallahassee, Florida 32314-6100**

REFERENCE

NAME: Humana Medical Plan, Inc.
ADDRESS: PO Box 740036
CITY, STATE, ZIP: Louisville, KY 40201-7436
FEIN: 61-1103898
NAIC COCODE: 95270
EXAM YR END: 2012
CASE #: 144401-13
ATTORNEY: Monica T. Ross
SOURCE: MARKET INVESTIGATIONS – SBS # 20197

*Fine Due: \$51,000
Costs Due: \$ 3,000
Total Amount Due: \$ 54,000*

Amount Remitted:

OFFICIAL USE ONLY – PLEASE DO NOT MARK BELOW THIS LINE]

<u>B/T</u>	<u>T/C</u>	<u>F/T</u>	<u>AMOUNT</u>
C	1105	J	\$
C	1249	J+	\$