



**COMMONWEALTH OF KENTUCKY  
DEPARTMENT OF INSURANCE  
FRANKFORT, KENTUCKY**

**IN THE MATTER OF:**

**Humana Health Plan, Inc.  
321 West Main Street  
Louisville, KY 40202**

**DOI No.: 300142  
NAIC No.: 95885  
Legal File No.: 2013-0245**

**ORDER OF CIVIL PENALTY**

WHEREAS, Humana Health Plan, Inc. (herein after “Humana” or “Company”) is authorized to transact business as a health maintenance organization (“HMO”) in the Commonwealth of Kentucky pursuant to KRS Chapter 304, Subtitle 38;

WHEREAS, Company is required, pursuant to KRS 304.14-120 and 806 KAR 14:005, to file forms, including amendments, with the Kentucky Department of Insurance (hereinafter “Department”) for approval prior to the form being delivered or issued for delivery in the state of Kentucky;

WHEREAS, the Department has become aware, through the consumer complaint process, that Company is using an unapproved form;

WHEREAS, upon receipt of the consumer complaint, the Department commenced an investigation into this matter;

WHEREAS, during the investigation, the Department reviewed letters that were mailed to current policyholders of Humana;

WHEREAS, during the investigation, the Department discovered that the letters mailed to policyholders contained an attachment that was offered as an amendment to the policyholders' current policy;

WHEREAS, the amendment was not approved by the Department prior to Humana mailing the letters;

WHEREAS, the Company admitted in the letter to the policyholder that the amendment has not yet been approved by the Department and yet, the amendment is to be attached and made part of the policy;

WHEREAS, use of the unapproved amendment has caused confusion among policyholders as to the coverage and rates for their policies in 2014;

WHEREAS, Company admitted that it has mailed a total of 6,543 unapproved amendments to current policyholders;

WHEREAS, Company has admitted it has received an estimated 2,200 signed amendments;

WHEREAS, Company has violated KRS 304.14-120, KRS 304.3-200(1)(b), KRS 304.3-200(1)(c), and 806 KAR 14:005 because Company distributed an unapproved form to consumers.


NOW THEREFORE, pursuant to KRS 304.2-100, KRS 304.2-140, KRS 304.3-200, and KRS 304.99-020 it is hereby ORDERED that Humana shall pay a civil penalty in the amount of Sixty Five Thousand Four Hundred Thirty Dollars (\$65,430). Payment of the civil penalty shall be by certified check or money order made payable to the Kentucky State Treasurer and mailed to the Insurance Legal Division, P.O. Box 517,

Frankfort, Kentucky 40602-0517. A copy of this Order must accompany the payment. Payment of the civil penalty shall be made within sixty (60) days of the date of receipt by Humana of this Order of Civil Penalty.

**NOTICE OF APPEAL RIGHTS**

This Order is a final agency action within the meaning of the Kentucky Insurance Code. It is an appealable Order within the meaning of KRS 304.2-310 and an aggrieved party may request a hearing upon a written application for such hearing. The application for a hearing must be filed within sixty (60) days after the effective date of this Order. The application for a hearing shall briefly state the respects in which the applicant is aggrieved, together with the grounds to be relied upon as a basis for the relief to be sought at the hearing. A stay of the Order shall be effective upon the receipt of a proper request for a hearing on the matter.

Done and effective this the 10 day of September, 2013.

  
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**Sharon P. Clark, Commissioner**  
**Kentucky Department of Insurance**

**CERTIFICATE OF SERVICE**

I hereby certify that the foregoing Order was served by certified mail, postage prepaid, to the following on this 10<sup>th</sup> day of September, 2013.

Bruce Dale Broussard, President  
Humana Health Plan, Inc.  
P.O. Box 740036  
Louisville, KY 40201-7436

Corporation Service Company, Process Agent  
Humana Health Plan, Inc.  
421 West Main Street  
Frankfort, KY 40601

Paul Herrington, Legal Counsel  
Humana, Inc.  
500 West Main Street  
Louisville, KY 40202

Kelli Rodman, Regional Government Relations Director  
Humana, Inc.  
321 West Main Street  
Louisville, KY 40202

Heather Quinn, Risk Advisor  
Humana, Inc.  
P.O. Box 11268  
Green Bay, WI 54307-1268

by electronic delivery to:

Maggie Woods, Director  
Health and Life Division  
Kentucky Department of Insurance  
215 West Main Street  
Frankfort, KY 40601

and by hand delivery to:

Lori Brown, Custodian of Records  
Legal Services  
Kentucky Department of Insurance  
215 West Main Street  
Frankfort, KY 40601

*Andrea Kruchinski*

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Andrea Kruchinski, Counsel  
Office of Legal Services  
c/o Kentucky Department of Insurance  
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Frankfort, KY 40602  
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