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**BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF UTAH**

<p>UTAH INSURANCE DEPARTMENT,</p> <p style="text-align: center;">Complainant,</p> <p>v.</p> <p>HUMANA INSURANCE COMPANY 500 West Main Street Louisville, KY 40202 License No. 73288</p> <p style="text-align: center;">Respondent.</p>	<p>STIPULATION AND ORDER</p> <p>Docket No. 2015-107 HL</p> <p>Enf. Case No. 3666</p> <p>Judge Mark E. Kleinfield Administrative Law Judge</p>
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STIPULATION

The Utah Insurance Department ("Department"), by and through its legal counsel, and Humana Insurance Company ("Respondent"), by and through its authorized representative, hereby stipulate and agree as follows:

1. Respondent is an active non-resident health insurance company authorized to do business in the State of Utah under License No. 73288. Respondent's business address is 500 West Main Street, Louisville, KY 40202.

2. The Department has jurisdiction over the parties and subject matter of this administrative action.

3. Respondent acknowledges notice of agency action pursuant to Utah Code § 63G-4-201; acknowledges that this Stipulation and Order is an informal proceeding pursuant to Utah Code § 63G-4-202; and irrevocably waives the right to any hearing, review or appeal concerning this matter.

4. Respondent is represented by legal counsel in this matter.

5. This signed Stipulation and the signed Order by the Presiding Officer, along with any Findings of Fact and Conclusions of Law, shall not be subject to any reconsideration, renegotiation, modification, hearing or agency review or appeal.

6. The Findings of Fact and Conclusions of Law presented below are accepted by the parties.

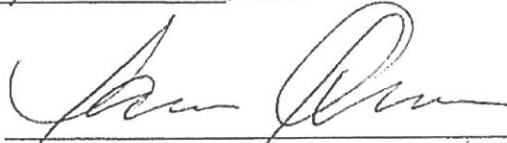
7. The issuance of the signed and adopted Order proposed below is solely for the purpose of disposing of the specific matter entitled herein.

8. The only promises, agreements and understandings that the parties have regarding this matter are contained in this Stipulation.

9. Respondent enters into this Stipulation voluntarily, knowingly, and free from any coercion of any kind.

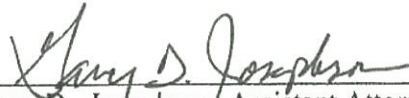
10. The persons signing this Stipulation on behalf of the named parties hereby affirm that they are authorized to sign and bind the parties.

Dated this 25 day of September, 2015.



Tami Quiram, Authorized Representative
HUMANA INSURANCE COMPANY

Dated this 29th day of September, 2015



Gary D. Josephson, Assistant Attorney General
UTAH INSURANCE DEPARTMENT

Based upon the foregoing Stipulation and Department file, the Presiding Officer makes the following Findings of Fact:

FINDINGS OF FACT

1. On September 3, 2013, the Department received a notification from Respondent stating that it was discontinuing its grandfathered health insurance plans.
2. On October 1, 2013 Respondent issued a notice to its policyholders, which consisted of 28 groups and 494 enrollees, of the discontinuance of its grandfathered health insurance plans.
3. On November 25, 2013 Respondent issued another notice to policyholders stating: "If you have a medical plan that is a grandfathered health plan, or you have dental, vision, life, disability, or voluntary benefits: review the information in this packets about the

benefits of renewing. If you want to continue with these plans, no further action is needed.”

4. The Utah groups were informed that they would be allowed to keep their grandfathered plans; however, upon renewal, their plans were changed to ACA compliant plans and the cost of premiums was significantly increased.

5. The Department determined that the communications sent by Respondent were incorrect and misleading.

6. Respondent has had no prior administrative action in Utah and was very cooperative during the investigation.

7. The Department and Respondent have agreed to an administrative forfeiture in the amount of \$74,000.00, with \$9,000.00 being stayed on condition of no further, similar violations for the next 12 months, and a \$10,000.00 administration fee.

Based upon the foregoing Stipulation and Findings of Fact, the Presiding Officer enters the following Conclusions of Law:

CONCLUSIONS OF LAW

1. Utah Code Section 31A-23a-401(1)(a)(i) which prohibits any communication that contains false or misleading information, was violated by Respondent when it issued two letters to its policyholders concerning grandfathered health insurance plans.

2. Because of the number of affected insureds, an administrative forfeiture in the amount of \$74,000.00, with \$9,000.00 stayed, and an administration fee of \$10,000.00 is appropriate under the circumstances of this matter.

Based upon the Findings and Fact and Conclusions of Law, the Presiding Officer enters the following Order:

ORDER

RESPONDENT IS HEREBY ORDERED to pay an administrative forfeiture to the Department in the amount of \$74,000.00, with \$9,000.00 stayed. If Respondent has no further, similar violations of the Utah Insurance Code and Department Rules during the next twelve months from the signing of this Order, the stayed \$9,000.00 expires and becomes void. In addition to the \$65,000.00 forfeiture due, a \$10,000.00 administrative fee is also assessed. The current, total payable amount of \$75,000.00 shall be paid to the Department within 30 days of the date of this signed Order.

DATED this 29 day of September, 2015.

TODD E. KISER
Insurance Commissioner



MARK E. KLEINFELD, Esq.
Administrative Law Judge
Utah Insurance Department

NOTIFICATION TO RESPONDENT

You are hereby notified that a failure to obey an Order of the Commissioner may subject you to further penalties, including forfeitures of up to \$5,000 per violation and the suspension or revocation of your license and the filing of an action in district court, which may impose forfeitures of up to \$10,000 per day for continued violation. You are further notified that other jurisdictions in which you may be licensed may require that you report this action to them.