

HELEN A. FROHLICH #8814  
Assistant Utah Attorney General  
SEAN D. REYES #7969  
Utah Attorney General  
Attorneys for Utah Insurance Department  
160 East 300 South, 5<sup>th</sup> Floor  
P.O. Box 140874  
Salt Lake City, Utah 84114-0874  
Telephone: (801) 366-0375  
[hfrohlich@agutah.gov](mailto:hfrohlich@agutah.gov)

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**BEFORE THE UTAH INSURANCE COMMISSIONER**

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UTAH INSURANCE DEPARTMENT,  Complainant,  vs.  HUMANA INSURANCE COMPANY,  Respondent.	FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER  Docket No. 2022-4368  Donald H. Hansen Administrative Law Judge/Presiding Officer
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Complainant, Utah Insurance Department ("Department") and Respondent, Humana Insurance Company, have stipulated to entry of the following Findings of Fact, Conclusions of Law, and Order.

Based upon that stipulation, and good cause appearing, the Presiding Officer makes and enters the following:

**FINDINGS OF FACT**

1. Respondent is an insurer domiciled in Wisconsin and authorized to do insurance business in Utah. Respondent holds Utah license number 1166.
2. Respondent's mailing address is [REDACTED].

3. On September 29, 2020, Docket No. 2020-4261 was entered against Respondent regarding a market conduct examination of Respondent for the period of January 1, 2015 to December 31, 2017.

4. In Docket No. 2020-4261, Respondent was ordered to pay a forfeiture of \$1,500,000.00 for various violations described in the Conclusions of Law, which included violations of Utah Code § 31A-26-303(3)(b) and § 31A-26-301.6(10)(d). Respondent was placed on probation for 24 months, ordered to have no further violations of Utah insurance laws during the probationary period, and further ordered not to commit the violations described in the conclusions of law in the future,

5. On October 25, 2016, Respondent paid a claim which was erroneously recouped on July 16, 2017.

6. On June 27, 2018, the claim was reprocessed showing a member responsibility. At that time, the member had met her deductible and out of pocket maximums.

7. On February 19, 2019, the claim was reprocessed and paid at 100%; however, the check was not issued to the provider.

8. Respondent provided an inaccurate response to the Department on November 13, 2019, by stating that payment on the claim was made on February 19, 2019.

9. On February 26, 2021, Respondent issued payment and paid interest to the provider and member.

10. Respondent did not properly settle the claim until after Respondent was placed on probation in Docket No. 2020-4261.

11. The Department and Respondent have agreed to an administrative forfeiture of

\$5,500.00.

### **CONCLUSIONS OF LAW**

1. The Utah Insurance Commissioner (“Commissioner”) has jurisdiction over the parties and this adjudicative proceeding pursuant to Utah Code §§ 31A-1-105 and 31A-2-201.

2. The Commissioner has legal authority to impose penalties on the Department's licensees who violate the Utah Insurance Code. Utah Code § 31A-2-308.

3. Respondent violated Utah Code § 31A-26-303(3)(b) and § 31A-26-301.6(10)(d) by erroneously recouping payment of a claim and then failing to properly issue the check after the claim was reprocessed.

4. Respondent violated Utah Code § 31A-2-202(6) when it incorrectly reported to the Department on November 13, 2019 that the claim at issue was paid on February 19, 2019 when proper payment was not issued until February 26, 2021.

5. Respondent violated Utah Code § 31A-2-308, when it violated Utah Code §§ 31A-26-301.6(10)(d) and 31A-26-303(3)(b), which were the subject of docket no. 2020-4261.

6. As penalties for the violations in this case, Respondent should be ordered to pay a forfeiture of \$5,500.00

### **ORDER**

Based on the foregoing Findings of Fact and Conclusions of Law, it is hereby Ordered that:

1. Respondent shall pay a forfeiture of \$5,500.00 for the violations described in the Conclusions of Law. The forfeiture shall be paid in full to the Department no later than 30 days after this order is signed.

2. Respondent is ordered not to commit the violations described in the Conclusions of Law in the future.

DATED this 17<sup>th</sup> day of February, 2022.

JONATHAN T. PIKE  
Utah Insurance Commissioner

/s/ Donald H. Hansen  
Donald H. Hansen  
Administrative Law Judge/Presiding Officer  
Utah Insurance Department  
4315 South 2700 West, Suite 2300  
Taylorsville, UT 84159  
801-957-9321  
Email: [uidadmincases@utah.gov](mailto:uidadmincases@utah.gov)

### **NOTICE TO RESPONDENT**

Failure to obey this Order may subject you to further penalties that include a forfeiture of up to \$2,500 per violation, with each day of the violation constituting a separate violation. Other penalties for failing to obey this Order may include license suspension, probation, refusal to renew, or revocation. Failure to obey this Order may also result in an action taken against you in a court of competent jurisdiction where forfeitures of up to \$10,000 for each day the failure to comply continues until judgment is rendered. If you are licensed in other jurisdictions, you may be required to report this proceeding in those jurisdictions.

**CERTIFICATE OF SERVICE**

The undersigned certifies that on this date a true and correct copy of the foregoing

Findings of Fact, Conclusions of Law and Order was emailed to:

Kristie A. Daugherty  
Humana Insurance Company  
[REDACTED]

Helen A. Frohlich  
Assistant Attorney General  
[hfrohlich@agutah.gov](mailto:hfrohlich@agutah.gov)

DATED this 17<sup>th</sup> day of February, 2022.

*/s/ Jeanine Couser* \_\_\_\_\_  
Jeanine Couser  
Utah Insurance Department  
4315 South 2700 West, Suite 2300  
Taylorsville, UT 84129  
801-957-9321