



FILED

FEB 15 2016

OFFICE OF
INSURANCE REGULATION
Docketed by:

OFFICE OF INSURANCE REGULATION

KEVIN M. McCARTY
COMMISSIONER

IN THE MATTER OF:

CASE NO. 185926-16-CO

Application for the Indirect Acquisition of
HUMANA HEALTH INSURANCE COMPANY
OF FLORIDA, INC., HUMANA MEDICAL
PLAN, INC., CAREPLUS HEALTH PLANS, INC.
and COMPBENEFITS COMPANY by AETNA INC.

CONSENT ORDER

THIS CAUSE came on for consideration upon the filing by AETNA INC. (hereinafter referred to as "APPLICANT") with the OFFICE OF INSURANCE REGULATION (hereinafter referred to as the "OFFICE") of an application for the indirect acquisition of HUMANA HEALTH INSURANCE COMPANY OF FLORIDA, INC., HUMANA MEDICAL PLAN, INC., CAREPLUS HEALTH PLANS, INC., and COMPBENEFITS COMPANY (hereinafter referred to as "FLORIDA DOMESTICS") by AETNA INC. pursuant to Sections 628.461, 628.4615, 636.065, and 641.255(3), Florida Statutes (hereinafter referred to as "Application"). Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the OFFICE finds as follows:

I. PARTIES AND JURISDICTION

1. The OFFICE has jurisdiction over the subject matter and the parties to this proceeding.
2. APPLICANT has applied for and, subject to the terms and conditions established herein, has satisfactorily met all of the conditions precedent to the granting of approval by the

OFFICE of the proposed indirect acquisition of FLORIDA DOMESTICS, pursuant to the requirements of the Florida Insurance Code.

3. APPLICANT affirms that all explanations, representations, and documents provided to the OFFICE in connection with this Application, including all attachments and supplements thereto, are true and correct and fully describe all transactions, agreements, ownership structure, operations, and control of APPLICANT and FLORIDA DOMESTICS.

4. HUMANA HEALTH INSURANCE COMPANY OF FLORIDA, INC. is a licensed Life & Health Insurer domiciled in the state of Florida and is subject to the jurisdiction and regulation of the OFFICE, pursuant to Chapter 624, Part III, Florida Statutes.

5. HUMANA MEDICAL PLAN, INC. is a licensed Health Maintenance Organization domiciled in the state of Florida and is subject to the jurisdiction and regulation of the OFFICE, pursuant to Chapter 641, Part I, Florida Statutes.

6. CAREPLUS HEALTH PLANS, INC. is a licensed Health Maintenance Organization domiciled in the state of Florida and is subject to the jurisdiction and regulation of the OFFICE, pursuant to Chapter 641, Part I, Florida Statutes.

7. COMPBENEFITS COMPANY is a licensed Prepaid Limited Health Service Organization domiciled in the state of Florida and is subject to the jurisdiction and regulation of the OFFICE, pursuant to Chapter 636, Part I, Florida Statutes.

8. APPLICANT is a Pennsylvania corporation, which is publicly traded on the New York Stock Exchange under the symbol "AET". The Application represents that no individual or entity owns ten percent (10%) or more of APPLICANT's outstanding voting securities.

9. FLORIDA DOMESTICS are ultimately owned one hundred percent (100%) by HUMANA INC. (hereinafter referred to as "HUMANA"), a Delaware holding company. The

Application represents that HUMANA is publicly traded on the New York Stock Exchange under the symbol “HUM” and that no individual or entity owns ten percent (10%) or more of HUMANA’s outstanding voting securities.

II. ACQUISITION APPLICATION AND PUBLIC HEARING

10. APPLICANT has provided with its Application a copy of an Agreement and Plan of Merger dated July 2, 2015 (hereinafter referred to as the “Merger Agreement”). Pursuant to the terms of the Merger Agreement, in order to effectuate the acquisition of the FLORIDA DOMESTICS, Echo Merger Sub, Inc., a direct, wholly owned subsidiary of APPLICANT created exclusively for this transaction, will merge with and into HUMANA (the first merger), with HUMANA surviving the first merger and becoming a direct wholly owned subsidiary of APPLICANT. Immediately following the first merger, HUMANA will merge with and into Echo Merger Sub, LLC (the second merger), a direct, wholly owned subsidiary of APPLICANT created exclusively for this transaction, with Echo Merger Sub, LLC surviving the second merger. Following the second merger, Echo Merger Sub, LLC will be renamed Humana LLC, and thus, become the ultimate parent company of the FLORIDA DOMESTICS.

11. APPLICANT has also included in its Application copies of the various filings made with the U.S. Securities and Exchange Commission relating to the proposed acquisition, including documentation evidencing that on October 19, 2015, the HUMANA shareholders approved the Merger Agreement.

12. APPLICANT submitted the following opinions in support of the Application:

(a) “Florida Competition Analysis” dated October 6, 2015, in which it was concluded the acquisition is in the public interest and poses no genuine risk of anti-competitive effects in any line of business;

(b) Fairness Opinion issued by Goldman, Sachs, & Co. dated July 2, 2015, which concluded that the consideration to be paid to the holders (other than the APPLICANT and its affiliates) of shares pursuant to the Merger Agreement is fair, from a financial point of view, to such holders;

(c) Fairness Opinion issued by Citigroup Global Markets Inc. dated July 2, 2015, which concluded that the consideration to be paid by the APPLICANT is fair, from a financial point of view, to the APPLICANT; and

(d) Fairness Opinion issued by Lazard, Freres & Co. LLC dated July 2, 2015, which concluded that the consideration to be paid by the APPLICANT is fair, from a financial point of view, to the APPLICANT.

13. On December 7, 2015, the OFFICE convened a public hearing in Tallahassee, Florida for the purpose of obtaining public comment and additional information from the parties involved in the proposed transaction. Notice of the hearing was published in the Florida Administrative Register on November 20, 2015. Upon conclusion of the hearing, the record of the hearing was held open for ten (10) days to allow for additional comment. The transcript of the hearing, all documents and exhibits delivered during the hearing, and all public comments up to the closing of the record were posted on the OFFICE's website located at <http://www.flair.com/Sections/LandH/AetnaHumanaHearing.aspx>.

III. THE OFFICE'S REVIEW AND ANALYSIS OF THE PROPOSED TRANSACTION

14. Sections 628.461(7)(i)-(j) and 628.4615(8)(i)-(j), Florida Statutes, require that the OFFICE approve the acquisition if it is not likely to be hazardous or prejudicial to the insurer's policyholders or the public and the effect of the acquisition would not substantially lessen competition in insurance in this state or tend to create a monopoly therein.

15. The OFFICE has considered, and relied upon, the materials submitted by APPLICANT in its Application, including the documents referenced in paragraph twelve (12) above.

16. The OFFICE has also considered the documents, exhibits, and public comments submitted as a part of the public hearing record as part of its review of the proposed transaction.

17. In addition to reviewing the materials described above, the OFFICE conducted its own analysis regarding the impact the proposed acquisition may have on market structure and competition specific to Florida.

18. The economic and competitive analysis conducted by the OFFICE determined that the majority of geographic and product markets affected by the proposed acquisition would be characterized as either moderately or highly concentrated before consideration of the proposed acquisition.

19. The analysis conducted by the OFFICE specifically reviewed the impact of the proposed acquisition in the Medicare Advantage markets and found the Medicare Advantage market to be fundamentally different from the other insurance lines considered in the proposed acquisition. Based on its analysis, the OFFICE finds that Medicare Advantage, the private market product, competes directly with Traditional Medicare. Accordingly, when considering the impact of the acquisition, the private market is only a portion of the Medicare market. When analyzed as the combination of the public and private markets, the Medicare market on a statewide basis is highly concentrated, and the impact of the proposed acquisition affects the concentration by only a minimal amount.

20. In reaching its conclusion that Medicare Advantage competes directly with Traditional Medicare, the OFFICE analyzed a number of factors and market conditions, including but not limited to the following:

(a) Market Fluidity. Data analysis from 2013-2015 indicates that, annually, 21-25% of Aetna or Humana enrollees transition from Medicare Advantage to Traditional Medicare. In addition, according to a study conducted by Harvard School of Public Health and Harvard Medical School, which examined the patterns for demand and enrollment into Medicare Advantage in Miami-Dade County, 5-7% of Traditional Medicare enrollees transitioned to Medicare Advantage annually.¹ This transition experience demonstrates that fluidity and, therefore, direct competition exists between Medicare Advantage and Traditional Medicare.

(b) Market Dynamic. Most Medicare Advantage plans offer substantially richer benefits at lower costs to enrollees than Traditional Medicare in exchange for receiving care in a managed, network setting. The market dynamic that exists between Medicare Advantage and Traditional Medicare is similar in nature to the dynamic between a commercial market HMO and PPO, which clearly operate and function as direct competitors.

(c) Value Proposition. The U.S. Department of Justice² and another Harvard School of Public Health and Harvard Medical School study³ have concluded that Medicare Advantage plans offer equal or higher benefits and quality of care for less cost than Traditional Medicare, bolstering the argument that consumers benefit from comparing Traditional Medicare

¹ Sinaiko, Afendulis, & Frank, Enrollment in Medicare Advantage Plans in Miami-Dade County: Evidence of Status Quo Bias?, 50 *Inquiry* 202 (2013), available at <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC4108259>.

² Complaint at 5-6, United States v. Humana, Inc., Case No. 1:12-cv-00464 (D.D.C. Mar. 27, 2012), available at <http://www.insurance.wa.gov/laws-rules/administrative-hearings/judicial-proceedings/documents/12-0010-DOJ-Filing.pdf>.

³ Newhouse & McGuire, How Successful Is Medicare Advantage?, 92 *The Milbank Quarterly* 351 (2014), available at <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC4089375>.

to Medicare Advantage. Historical Medicare enrollment data provides insights into how the value of Medicare Advantage relative to Traditional Medicare drives consumer behavior. For example, in 1999, the Medicare Advantage Florida market penetration was 27%⁴; however, as a result of reduced plan payments within the Medicare program,⁵ the Medicare Advantage Florida market penetration declined to a low of 18% in 2004.⁶ Around that time the Medicare program was changed again,⁷ which resulted in an increase in the Medicare Advantage Florida market penetration, reaching a maximum of 40% in 2015.⁸ These market shifts indicate that consumers recognize and understand the value differential between Medicare Advantage and Traditional Medicare and the changes therein. If APPLICANT or its affiliates, rather than the Centers for Medicare and Medicaid Services (“CMS”), were to increase premiums or reduce benefits, thereby reducing the value to consumers, it is likely that a greater number of consumers would choose Traditional Medicare, demonstrating again that Medicare Advantage and Traditional Medicare are direct competitors.

(d) The Future of Medicare. Regulatory changes to Medicare and Medicare Supplement are increasing the similarities between Medicare Advantage and Traditional Medicare, which is likely to create additional competition in the near future. For example, in 2015, the Secretary of Health and Human Services was directed by Congress to develop a Merit-

⁴ The Henry J. Kaiser Family Foundation, Medicare Advantage Enrollees as a Percent of Total Medicare Population, <http://kff.org/medicare/state-indicator/enrollees-as-a-of-total-medicare-population>.

⁵ Balanced Budget Act of 1997, Pub. L. No. 105-32, available at <https://www.gpo.gov/fdsys/pkg/BILLS-105hr2015enr/pdf/BILLS-105hr2015enr.pdf>.

⁶ The Henry J. Kaiser Family Foundation, Medicare Advantage Enrollees as a Percent of Total Medicare Population, <http://kff.org/medicare/state-indicator/enrollees-as-a-of-total-medicare-population>.

⁷ Medicare Prescription Drug, Improvement, and Modernization Act of 2003, Pub. L. No. 108-173, available at <https://www.gpo.gov/fdsys/pkg/PLAW-108publ173/pdf/PLAW-108publ173.pdf>.

⁸ The Henry J. Kaiser Family Foundation, Medicare Advantage Enrollees as a Percent of Total Medicare Population, <http://kff.org/medicare/state-indicator/enrollees-as-a-of-total-medicare-population>.

based Incentive Payment system.⁹ In addition, the CMS Innovation Center is actively working on a plan to use Medicare Supplement for managing the care provided by Traditional Medicare. These changes narrow the differences that exist between Medicare Advantage and Traditional Medicare, which will increase the likelihood that a Medicare Advantage enrollee will transition to Traditional Medicare and increase the competition between Medicare Advantage and Traditional Medicare.

(e) The Consumer Experience. When shopping for coverage on Medicare.gov, consumers are provided with a direct comparison of Medicare Advantage plans and Traditional Medicare. This juxtaposition on the CMS website demonstrates that Traditional Medicare provides a competitive restraint on Medicare Advantage by requiring that Medicare Advantage plans provide more value than Traditional Medicare.

21. The impact of the acquisition in the markets considered is a matter of the degree to which the already existing conditions for the ability of market power to be exercised is enhanced and not where the acquisition would create the opportunity for the exercise of market power where it did not previously exist. The proposed acquisition would result in some increase in the degree of concentration that would be viewed as meaningful in markets and regions. However, the OFFICE did not find strong evidence of an overall significant reduction in the competitive landscape of the private Florida health insurance markets resulting from the proposed acquisition.

22. The OFFICE has determined that a mechanism to ameliorate the increases in market concentration is necessary and appropriate as a condition of approval of the acquisition. With respect to decreasing market concentration, the OFFICE has considered the option of

⁹ Medicare Access and CHIP Reauthorization Act of 2015, Pub. L. No. 114-10, available at <https://www.congress.gov/bill/114th-congress/house-bill/2>.

divestiture of policies or affiliates, or some combination thereof. The OFFICE finds that such option is not in the best interest of the policyholders in the state of Florida as it may be disruptive to policyholders and also may be short term in nature. Divestiture may force policyholders to replace their chosen providers in order to remain in-network and may also result in unwanted changes in quality of services, benefits, and the cost-sharing structure of their plan. In addition, the fact that policyholders have the option to elect a different company every year may lessen the effectiveness of divestitures as a means to manage market concentration. As a result, the OFFICE has determined that requiring the APPLICANT to expand its product portfolio into currently underserved areas of Florida is a more effective means for reducing concentration. As outlined in paragraph twenty-four (24) below, the APPLICANT will expand its Individual Health Insurance Exchange portfolio in Florida.

23. Based on the Application, including the public hearing record, the OFFICE's analysis, and the specific requirements of this Consent Order, the OFFICE finds that the proposed acquisition is not likely to be hazardous or prejudicial to the insureds of the insurer or the public and that the acquisition would not substantially lessen competition in insurance in this state or tend to create a monopoly therein.

IV. CONDITIONS OF APPROVAL OF PROPOSED ACQUISITION

24. APPLICANT agrees to expand its Florida Individual Health Insurance Exchange portfolio as follows:

(a) By January 1, 2018, through Florida affiliates, APPLICANT will enter into five (5) new counties not in its 2016 Florida Individual Health Insurance Exchange portfolio.

(b) By January 1, 2020, APPLICANT will provide the OFFICE with a market analysis of exchange counties not in its 2018 Florida Individual Health Insurance

Exchange portfolio and use it to develop a plan to enter into these markets if APPLICANT can secure a competitive position based upon adequate premium rates; enter into satisfactory contracts with a sufficient number of providers to meet network adequacy standards in each county reviewed; and other competitive factors, some of which may be related to federal exchange policies.

(c) APPLICANT and the OFFICE agree to renegotiate the commitments to expand the Florida Individual Health Insurance Exchange portfolio contained in subparagraphs (a) and (b) above if both parties agree that there are material changes in the Federal Health Insurance Exchange program, including any material changes in subsidies.

25. APPLICANT has represented in its Application that certain efficiencies will be achieved as a result of the proposed transaction. As such, APPLICANT shall provide to the OFFICE annually, and for the first three (3) years following the closing of the transaction, documentation detailing the realization of estimated efficiencies. Said documentation should be included as a separate exhibit in the annual financial statement filings of the FLORIDA DOMESTICS.

26. APPLICANT agrees that all Health Maintenance Organizations with a Certificate of Authority issued under Part I of Chapter 641, Florida Statutes, that qualify as an “affiliate” as defined in Section 641.19, Florida Statutes, will comply with the Risk Based Capital requirements described in Section 624.4085, Florida Statutes. Further, use of the term “control” or “controlled” in Section 641.19, Florida Statutes, shall have the same meaning as defined in Section 624.10(3), Florida Statutes.

27. APPLICANT agrees that the process or a substantially similar process for developing the HIV/AIDS drugs formulary currently in use by the APPLICANT shall be utilized by all applicable affiliates of APPLICANT following the closing of the transaction.

28. APPLICANT agrees that APPLICANT and its affiliates transacting insurance in the state of Florida, which would include the FLORIDA DOMESTICS following closing of the acquisition, will cooperate with financial and market conduct examinations conducted by the OFFICE and make their accounts, records, documents, files, information, assets, and matters in their possession or control freely available to the OFFICE, its examiners, or its investigators, in accordance with Sections 624.318, 636.039, and 641.27, Florida Statutes.

V. OTHER CONDITIONS OF APPROVAL

29. APPLICANT has made material representations that, except as disclosed in the Application, none of the officers and directors of APPLICANT and none of the post-acquisition officers and directors of the FLORIDA DOMESTICS have been found guilty of, or pleaded guilty or nolo contendere to, a felony or a misdemeanor other than a minor traffic violation without regard to whether a judgment or conviction was entered by the court.

30. APPLICANT and FLORIDA DOMESTICS represent that they have submitted complete background information on each of the individuals described in paragraph twenty-nine (29) above. If said information has not been provided, or if the sources utilized by the OFFICE in its investigation process reveal that the representations made in paragraph twenty-nine (29) above are inaccurate, any such individual shall be removed as an officer or director within thirty (30) days of receipt of notification from the OFFICE and replaced with a person or persons acceptable to the OFFICE.

31. If upon receipt of such notification from the OFFICE, pursuant to paragraph thirty (30) above, APPLICANT or FLORIDA DOMESTICS do not timely take the required corrective

action, APPLICANT and FLORIDA DOMESTICS agree that such failure to act would constitute an immediate serious danger to the public and the OFFICE may immediately suspend, revoke, or take other administrative action as the OFFICE deems appropriate upon the Certificate of Authority of the FLORIDA DOMESTICS without further proceedings, pursuant to Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

32. The Application represents there are no present plans or proposals to make any substantive changes to the Plan of Operation of the FLORIDA DOMESTICS. Prior written approval must be secured from the OFFICE prior to any material deviation from said Plan of Operation.

33. APPLICANT represents that, except as described in the Application, there are no present plans or proposals to make any substantive changes to the FLORIDA DOMESTICS, including liquidating them, selling any of their assets (except for transactions such as investment portfolio transactions in the ordinary course of business), merging or consolidating with any person or persons, or making any other major change in the business operations of the FLORIDA DOMESTICS.

34. APPLICANT agrees to immediately notify the OFFICE of any amendments to the Merger Agreement and file such amendments with the OFFICE within ten (10) days of the change. Further, should the U.S. Department of Justice impose any final written requirements upon the APPLICANT in regards to the proposed transaction, APPLICANT shall notify the OFFICE within three (3) business days.

35. APPLICANT or FLORIDA DOMESTICS shall submit to the OFFICE a copy of any filings submitted to the U.S. Securities and Exchange Commission regarding any lawsuits

relating to the transactions contemplated in the Merger Agreement, within fifteen (15) days of submission of the same to the U.S. Securities and Exchange Commission.

36. The parties to this Consent Order acknowledge that the consummation of the acquisition described herein is subject to obtaining appropriate regulatory approvals, including various state and federal agencies, in addition to satisfying other terms and conditions of the Merger Agreement. Accordingly, should such required approvals not be received, the provisions of this Consent Order shall terminate automatically and have no effect.

37. The U.S. Department of Justice and Florida Office of the Attorney General continue to independently investigate the proposed transaction under the standards applicable to their respective reviews. Any approval granted by this Consent Order shall not be acted upon until the expiration or termination of the applicable waiting periods under the Hart-Scott Rodino Antitrust Improvements Act of 1976, as amended.

38. Within ten (10) days of closing of the acquisition, APPLICANT or FLORIDA DOMESTICS shall provide to the OFFICE final executed closing documents and final executed copies of all related agreements. Should closing not occur, APPLICANT shall notify the OFFICE within three (3) business days.

39. HUMANA HEALTH INSURANCE COMPANY OF FLORIDA, INC., HUMANA MEDICAL PLAN, INC., and CAREPLUS HEALTH PLANS, INC. shall, no later than fifteen (15) days after the month in which the transaction occurs, file an update to their Holding Company Registration Statement, as required by Section 628.801, Florida Statutes, and Rule 690-143.046, Florida Administrative Code.

40. FLORIDA DOMESTICS shall submit to the OFFICE, within fifteen (15) days of closing of the acquisition, the newly assigned National Association of Insurance Commissioners company group code.

41. APPLICANT agrees that it shall make all necessary funds available to maintain the FLORIDA DOMESTICS in compliance with the surplus requirements of Sections 624.408, 636.045, and 641.225, Florida Statutes. APPLICANT and the FLORIDA DOMESTICS agree that failure to maintain compliance at all times with the capital and surplus requirements would constitute an immediate serious danger to the public and the OFFICE may immediately suspend, revoke, or take other administrative action as it deems appropriate upon the Certificate of Authority of the FLORIDA DOMESTICS without further proceedings, pursuant to Section 120.569(2)(n) and 120.60(6), Florida Statutes.

42. APPLICANT shall cause the Enterprise Risk Report required by Section 628.801(2), Florida Statutes, and any and all information necessary to evaluate the enterprise risks of HUMANA HEALTH INSURANCE COMPANY OF FLORIDA, INC., HUMANA MEDICAL PLAN, INC., and CAREPLUS HEALTH PLANS, INC. to be furnished to the OFFICE pursuant to Section 628.461(3)(f)-(g), Florida Statutes.

43. APPLICANT represents that there are no agreements, written or oral, related to the management of the FLORIDA DOMESTICS that have not been provided to the OFFICE.

44. APPLICANT acknowledges that any amounts due to any of APPLICANT's affiliates transacting insurance in the state of Florida from a Management Service Organization as part of a risk sharing arrangement are considered as non-admitted assets when determining compliance with solvency requirements under the Florida Insurance Code.

45. APPLICANT and its affiliates domiciled in Florida shall not enter into any reinsurance or brokerage agreement, whether or not affiliated, that requires approval from the reinsurer or broker regarding any potential sale of its affiliates domiciled in Florida.

46. APPLICANT or its affiliates domiciled in Florida shall notify the OFFICE within ten (10) business days of any breach of, non-performance of, or default under any servicing agreement with affiliates or third party vendors providing services directly or indirectly to one or more of the affiliates domiciled in Florida that could result in or cause a material adverse change in the financial condition, business, performance, operations, or property of one or more of the affiliates domiciled in Florida.

47. Any time that one or more of the FLORIDA DOMESTICS are named as a party defendant in a class action lawsuit, the FLORIDA DOMESTICS so named shall report to the OFFICE, Life and Health Financial Oversight, within fifteen (15) days after the class is certified. The one or more FLORIDA DOMESTICS so named shall include a copy of the complaint at the time it reports the class action lawsuit to the OFFICE.

48. APPLICANT shall maintain and adhere to procedures necessary to detect and prevent prohibited transactions with individuals and entities that have been identified at the Treasury Department's Office of Foreign Assets Control website, <http://www.treas.gov/ofac>.

49. APPLICANT affirms and represents that all information, representations, documents, explanations, and statements provided to the OFFICE as part of this Application process fully describe all material agreements and understandings with regard to the acquisition and future operations of the FLORIDA DOMESTICS. APPLICANT further agrees and affirms that said information, representations, documents, explanations, and statements are material to

the issuance of this Consent Order and have been relied upon by the OFFICE in its determination to enter into this Consent Order.

50. Within sixty (60) days from the date of the closing of the transaction, APPLICANT shall furnish to the OFFICE a certification evidencing compliance with all of the requirements of this Consent Order. Any exceptions shall be so noted and contained in the certification. Exceptions noted in the certification shall also include a timeline defining when the outstanding requirements of the Consent Order will be complete. Said certification shall be submitted to the OFFICE via electronic mail and directed to the attention of the Assistant General Counsel representing the OFFICE in this matter and as named in this Consent Order.

51. The deadlines set forth in this Consent Order may be extended by written approval of the OFFICE. Additionally, reporting requirements and any other provision or requirement set forth in this Consent Order may be altered or terminated by written approval of the OFFICE. Approval of any deadline extension is subject to statutory and administrative regulation limitations.

52. Any prior Orders or Consent Orders that the FLORIDA DOMESTICS have entered into with the OFFICE prior to the closing of the acquisition shall apply and remain in full force and effect for the FLORIDA DOMESTICS, except where provisions of such Orders or Consent Orders have expired, have been superseded by subsequent Orders or Consent Orders, or are inconsistent with this Consent Order.

53. APPLICANT, HUMANA, and FLORIDA DOMESTICS expressly waive a hearing in this matter and the making of Findings of Fact and Conclusions of Law by the OFFICE and all further and other proceedings herein to which the parties may be entitled by law or rules of the OFFICE. APPLICANT, HUMANA, and FLORIDA DOMESTICS hereby

knowingly and voluntarily waive all rights to challenge or to contest this Consent Order, in any forum now or in the future available, including the rights to any administrative proceeding, circuit or federal court action, or any appeal.

54. APPLICANT and FLORIDA DOMESTICS agree that failure to adhere to one or more of the terms and conditions contained herein may result in the OFFICE revoking, suspending, or taking other action as the OFFICE deems appropriate upon one or more of the FLORIDA DOMESTICS' Certificate of Authority in the state of Florida.

55. Each party to this action shall bear its own costs and fees.

56. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has executed a copy of this Consent Order bearing the signatures of APPLICANT, HUMANA, and the FLORIDA DOMESTICS, or their authorized representative(s), notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically. Further, APPLICANT, HUMANA, and the FLORIDA DOMESTICS agree that their signatures or the signatures of their representative(s) as affixed to this Consent Order shall be under the seal of a Notary Public.

WHEREFORE, subject to the terms and conditions set forth above, the Application by AETNA INC. to indirectly acquire one hundred percent (100%) of the issued and outstanding voting securities of HUMANA HEALTH INSURANCE COMPANY OF FLORIDA, INC., HUMANA MEDICAL PLAN, INC., CAREPLUS HEALTH PLANS, INC., and COMPBENEFITS COMPANY is hereby APPROVED.

FURTHER, all terms and conditions contained herein are hereby ORDERED.

DONE and ORDERED this 15th day of February, 2016.




Kevin M. McCarty, Commissioner
Office of Insurance Regulation

By execution hereof, AETNA 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 AETNA INC. to the terms and conditions of this Consent Order.

AETNA INC

By: [Signature]

Print Name: Gregory Martino

Title: Assistant Vice President

Date: 2/11/2016

[Corporate Seal]

STATE OF Virginia

COUNTY OF Richmond
City

The foregoing instrument was acknowledged before me this 11th day of February 2016,

by Gregory Martino as Assistant Vice President
(name of person) (type of authority; e.g., officer, trustee, attorney in fact)

for Aetna, Inc.
(company name)

[Signature]
(Signature of the Notary)



Caroline Colton
(Print, Type, or Stamp Commissioned Name of Notary)

Commission expires: 03/31/2018

Personally Known _____ OR Produced Identification

Type of Identification Produced Driver's License

My Commission Expires 03/31/2018

By execution hereof, HUMANA 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 INC. to the terms and conditions of this Consent Order.

HUMANA INC.

By: _____

Print Name: Joseph C. Ventura

Title: Associate General Counsel & Assistant Corporate Secretary

Date: February 11, 2016



[Corporate Seal]

STATE OF KENTUCKY

COUNTY OF JEFFERSON

The foregoing instrument was acknowledged before me this 11th day of February 2016,

by Joseph C. Ventura as officer
(name of person) (type of authority; e.g., officer, trustee, attorney in fact)

for Humana Inc.
(company name)

Courtney Durall
(Signature of the Notary)



COURTNEY DURALL
STATE AT LARGE
KENTUCKY
[Notary Seal]
MY COMMISSION EXPIRES SEPT. 16, 2017

Courtney Durall #497215
(Print, Type, or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires September 16, 2017

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.

HUMANA MEDICAL PLAN, INC.

By: [Signature]

Print Name: Joseph C. Ventura

Title: Assistant Corporate Secretary

Date: February 11, 2016

[Corporate Seal]

STATE OF KENTUCKY

COUNTY OF JEFFERSON

The foregoing instrument was acknowledged before me this 11th day of February 2016,

by Joseph C. Ventura as officer
(name of person) (type of authority, e.g., officer, trustee, attorney in fact)

for Humana Medical Plan, Inc.
(company name)

[Signature]
(Signature of the Notary)



COURTNEY DURALL
Notary Seal STATE AT LARGE
KENTUCKY
MY COMMISSION EXPIRES SEPT. 16, 2017

Courtney Durall #497215

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

Personally Known X OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires September 16, 2017

By execution hereof, HUMANA HEALTH INSURANCE COMPANY OF FLORIDA, 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 HEALTH INSURANCE COMPANY OF FLORIDA, INC. to the terms and conditions of this Consent Order.

HUMANA HEALTH INSURANCE COMPANY OF FLORIDA, INC.

By: [Signature]
Print Name: Joseph C. Ventura
Title: Assistant Corporate Secretary
Date: February 11, 2016

[Corporate Seal]

STATE OF KENTUCKY
COUNTY OF JEFFERSON

The foregoing instrument was acknowledged before me this 11th day of February 2016,
by Joseph C. Ventura as officer
(name of person) (type of authority; e.g., officer, trustee, attorney in fact)
for Humana Health Insurance Company of Florida, Inc.
(company name)



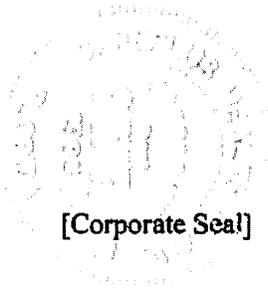
COURTNEY DURALL
STATE AT LARGE
KENTUCKY
MY COMMISSION EXPIRES SEPT. 16, 2017

[Signature]
(Signature of the Notary)

Courtney Durall #497215
(Print, Type, or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification _____
Type of Identification Produced _____
My Commission Expires September 16, 2017

By execution hereof, CAREPLUS HEALTH PLANS, 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 CAREPLUS HEALTH PLANS, INC. to the terms and conditions of this Consent Order.



[Corporate Seal]

CAREPLUS HEALTH PLANS, INC.

By: [Signature]

Print Name: Joseph C. Ventura

Title: Assistant Corporate Secretary

Date: February 11, 2016

STATE OF KENTUCKY

COUNTY OF JEFFERSON

The foregoing instrument was acknowledged before me this 11th day of February 2016,

by Joseph C. Ventura as officer
(name of person) (type of authority, e.g., officer, trustee, attorney in fact)

for CarePlus Health Plans, Inc.
(company name)

[Signature]
(Signature of the Notary)



COURTNEY DURALL
STATE AT LARGE
[Notary Seal] **KENTUCKY**
MY COMMISSION EXPIRES SEPT. 16, 2017

Courtney Durall #497215
(Print, Type, or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires September 16, 2017

By execution hereof, COMPBENEFITS COMPANY, 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 COMPBENEFITS COMPANY, to the terms and conditions of this Consent Order.



[Corporate Seal]

COMPBENEFITS COMPANY

By: [Signature]

Print Name: Joseph C. Ventura

Title: Assistant Corporate Secretary

Date: February 11, 2016

STATE OF KENTUCKY

COUNTY OF JEFFERSON

The foregoing instrument was acknowledged before me this 11th day of February 2016,

by Joseph C. Ventura as officer
(name of person) (type of authority, e.g., officer, trustee, attorney in fact)

for CompBenefits Company
(company name)

[Signature]
(Signature of the Notary)



COURTNEY DURALL
STATE AT LARGE
[Notary Seal] **KENTUCKY**
MY COMMISSION EXPIRES SEPT. 16, 2017

Courtney Durall #497215
(Print, Type, or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires September 16, 2017

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