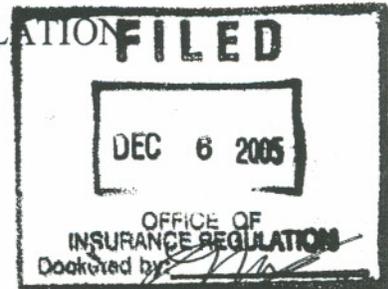




OFFICE OF INSURANCE REGULATION

KEVIN M. McCARTY
COMMISSIONER

IN THE MATTER OF:



CASE NO.: 80622-05-CO

**HUMANA HEALTH INSURANCE COMPANY
OF FLORIDA, INC.**
Life and Health Market Conduct Investigation

CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between HUMANA HEALTH INSURANCE COMPANY OF FLORIDA, 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 a domestic insurer authorized to transact insurance business in Florida, and is subject to the jurisdiction and regulation of the OFFICE pursuant to the Florida Insurance Code.
3. The OFFICE has conducted an investigation of HUMANA pursuant to Section 624.318, Florida Statutes. As a result of such investigation, the OFFICE has determined that HUMANA committed the following violations of the Florida Statutes:

- a. Section 627.6419(2), Florida Statutes – Requiring an exclusionary rider for breast implants and reconstructive surgery on an applicant who has been cancer-free for two years or more.
 - b. Section 627.6417, Florida Statutes – Requiring an exclusionary rider for breast reconstructive surgery on a policy that provides coverage for mastectomies.
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 all further and other proceedings herein to which the parties may be entitled by law or rules of the OFFICE. HUMANA hereby knowingly and voluntarily waives all rights to challenge or to contest this Order, in any forum now available to it, including the right to any administrative proceeding, circuit or federal court action, or any appeal.
5. HUMANA agrees that the failure to adhere to one or more of the 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.
6. 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 \$25,000.00 and administrative costs of \$2,500.00 on or before the 30th day after this Consent Order is executed.
 - b. HUMANA shall cease its practice of issuing Florida policies with exclusionary riders, which exclude coverage for prosthetic devices and breast reconstructive surgery incident to mastectomies.
 - c. HUMANA shall take corrective action with reference to the 22 Florida policies found to be in violation by reissuing the policies without the exclusionary rider bearing form

number GN-70129 EXC and notifying the policyholders that any expenses that were incurred and not submitted to HUMANA for reimbursement because of the rider should be submitted for payment.

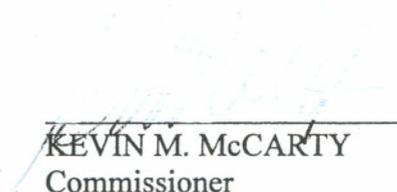
- d. HUMANA is hereby placed on notice of the requirements of the above-referenced sections of law and agrees that any future violations of these sections by HUMANA may be deemed willful, subjecting HUMANA to appropriate penalties.
7. Except as noted above, each party to this action shall bear its own costs and attorney's fees.

THEREFORE, 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 6th day of December, 2005.





KEVIN M. McCARTY
Commissioner
Office of Insurance Regulation

By execution hereof HUMANA 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, pursuant to Section 624.310, Florida Statutes, that he/she has the authority to bind HUMANA to the terms and conditions of this Consent Order.

**HUMANA HEALTH INSURANCE
COMPANY OF FLORIDA, INC.**

By _____

Kathleen Pellegrino

Print or Type Name

Corporate Seal

Title: Vice President

Date: October 18, 2005

STATE OF KENTUCKY

COUNTY OF JEFFERSON

On Oct. 18, 2005 before me, Janet Harper, personally appeared

[Signature], personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the person or the entity upon behalf which the person acted, executed the instrument.

Subscribed and sworn to before me this 18th day of Oct. 2005.

Signature _____
(Signature of Notary Public)

[NOTARIAL SEAL]

My Commission Expires:



Janet T. Harper, Notary Public
State at Large
Kentucky
My Commission Expires Sept. 28, 2009

COPIES FURNISHED TO:

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