

BEFORE THE DIVISION OF INSURANCE
DEPARTMENT OF LABOR AND REGULATION
STATE OF SOUTH DAKOTA

IN THE MATTER OF HUMANA
PHARMACY SOLUTIONS, INC.

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)

CONSENT ORDER

In resolution of the above matter and in lieu of issuance of a Notice of Hearing and a formal hearing, the undersigned parties do hereby agree to the following:

HUMANA PHARMACY SOLUTIONS INC. (“HUMANA SOLUTIONS”), with an address of record of 500 West Main Street Louisville, KY 40202, was a licensed Third-Party Administrator (“TPA”) and Pharmacy Benefits Manager (“PBM”) in the State of South Dakota

HUMANA SOLUTIONS is aware that the South Dakota Division of Insurance (“Division”) has conducted an investigation of its insurance-related activities in South Dakota;

The Division has alleged the following:

- 1) HUMANA SOLUTIONS allowed its TPA license to lapse in July 2013 due to failure to renew;
- 2) HUMANA SOLUTIONS continued to conduct insurance business in South Dakota as a TPA and PBM without a TPA license in violation of SDCL §§ 58-29D-21 and 58-29E-2;
- 3) HUMANA SOLUTIONS submitted an application for a TPA license with PBM qualification on February 8, 2016;
- 4) The Director of the Division may deny the February 8, 2016 license application of HUMANA SOLUTIONS for operating as a TPA and PBM without a TPA license;

HUMANA SOLUTIONS is aware of and understands the nature of the charges and has been informed that it has the right to notice, hearing, and appeal, and that by agreeing to and signing this Consent Order waives these rights;

In return for HUMANA SOLUTIONS agreeing to the provisions of this Consent Order, the Division agrees not to deny the TPA application of HUMANA SOLUTIONS and proceed to hearing and agrees that this Consent Order will constitute an informal disposition of this licensing matter pursuant to SDCL § 1-26-20;

HUMANA SOLUTIONS agrees to a monetary penalty in the amount of \$25,000 pursuant to SDCL § 58-4-28.1, in lieu of contesting this matter formally;

HUMANA SOLUTIONS further agrees to conduct itself in accordance with the insurance laws and regulations of the State of South Dakota;

HUMANA SOLUTIONS further agrees that this Consent Order may be considered for the purpose of determining the appropriate sanction in any future actions with the Division for any violations of the laws or regulations of the State of South Dakota or for failing to abide by any order of the Director;

Wherefore, good cause appearing from the foregoing, it is hereby ORDERED that HUMANA SOLUTIONS pay a monetary penalty in the amount of \$25,000 payable to "South Dakota Division of Insurance" for deposit in the general fund of the State of South Dakota; and it is further

ORDERED that HUMANA SOLUTIONS abide by the agreements made by it in this Consent Order; and it is further


ORDERED that should HUMANA SOLUTIONS fail to comply with the provisions of this Order, the Division may seek the suspension or revocation of the TPA license of HUMANA SOLUTIONS at hearing or seek other remedies available at law; and it is further

ORDERED that the February 8, 2016 TPA application by HUMANA SOLUTIONS and any addenda are APPROVED and that HUMANA SOLUTIONS be licensed as a TPA; and it is further

ORDERED that the use of this Consent Order for competitive purposes by an insurance agent or third-party administrator holding a license in the State of South Dakota, or by any company holding a Certificate of Authority, or by anyone on their behalf, may be deemed unfair competition and be grounds for suspension or revocation of said license or authority; and it is further

ORDERED that the provisions of this Consent Order shall be effective from the date the Director signs this Order.

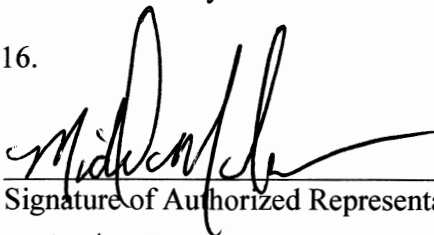
Dated at Pierre, South Dakota this 11th day of October, 2016.



Larry Deiter, Director
South Dakota Division of Insurance

The undersigned, on behalf of HUMANA SOLUTIONS, represents it understands the terms of this Consent Order and the waiver of its due process rights and voluntarily enter into this Consent Order.

Dated this 7th day of October, 2016.



Signature of Authorized Representative
Michael Medley

Printed Name
Compliance Risk Leader

Title