

In the Matter of
Humana Insurance Company,
 Respondent.

STIPULATION and ORDER

Case No. **08-C31613**

WHEREAS, Respondent, Humana Insurance Company, 1100 Employers Blvd, Green Bay, Wisconsin 54115, is subject to the jurisdiction and control of the Commissioner of Insurance in the State of Wisconsin; and

WHEREAS, The Office of the Commissioner of Insurance (hereinafter the "Commissioner") conducted an investigation of Respondent; and

WHEREAS, the Commissioner made the following allegation:

- (A) Respondent failed to comply with Wisconsin Insurance law as contained in the attached September 10 - 26, 2007, Market Conduct Examination Report adopted on August 13, 2008.

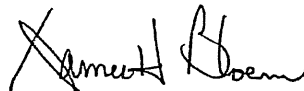
WHEREAS, Respondent denies and continues to contest the allegations but agrees to this Stipulation to resolve the matter.

NOW, THEREFORE, Respondent and the Commissioner do agree and stipulate to the following terms and conditions:

1. The Respondent agrees to the imposition of a forfeiture of seven hundred and fifty thousand dollars (\$750,000) payable to the state of Wisconsin. This forfeiture shall be paid accompanying this Stipulation.
2. The Respondent agrees to comply with the recommendations contained in the Market Conduct Examination Report.
3. Respondent consents and agrees to entry of the Order below.
4. The Respondent agrees this Stipulation is made without reservation and constitutes a waiver of rights including a hearing, confrontation and cross-examination of witnesses, production of evidence, making a motion for costs, and judicial review. The Commissioner agrees to not impose any additional administrative action for any allegation noted in this Stipulation. The Commissioner may enforce this Stipulation and Order. In addition, if the Respondent is involved in a future administrative action, this Stipulation may be considered in determining the appropriate action and penalty.
5. Both parties agree that on the effective date of this Stipulation and Order, this proceeding is dismissed with prejudice and without costs against either party.

August 27, 2008

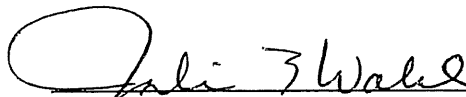
Date



James H. Bloem, Director, Sr. VP, CFO & Treasurer
 Humana Insurance Company

September 8, 2008

Date



Julie E. Walsh, Attorney
 Office of the Commissioner of Insurance

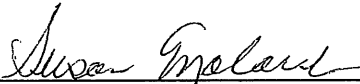
Humana Insurance Co
 08-C31613
 Ex: Low, Linda
 Atty: Walsh, Julie
 Closed: 09-08-2008

ORDER

NOW THEREFORE, based upon the consideration of this Stipulation, I hereby Order, pursuant to s. 601.41 (4), Wis. Stat., that:

1. The Respondent pay a forfeiture of seven hundred and fifty thousand dollars (\$750,000) to the State of Wisconsin. This forfeiture shall be paid accompanying this Stipulation.
2. The Respondent shall comply with the recommendations contained in the Market Conduct Examination Report.
3. The Respondent shall comply with Wisconsin Insurance laws.
4. Respondent shall comply with all agreements made in this Stipulation and Order.

Dated at Madison, Wisconsin, this 8th day of September, 2008.



Susan Ezalarab, CIE, CPCU, FMLI
Director, Bureau of Market Regulation