Department of Insurance settlement requires Humana to refund $600,000 to Missouri health care providers

Payments based on improper collections over three years

Jefferson City, Mo. - One of the nation’s largest health insurance companies will refund more than $600,000 to Missouri health care providers, under a settlement with the state Department of Insurance. John M. Huff, Missouri’s insurance director, today announced that Humana Insurance Co. and Humana Health Plan LLC will make the payments after improperly collecting refunds from doctors and other providers.

Missouri law allows up to one year for health insurance companies to correct errors in claims processing. A comprehensive investigation by the department’s Market Conduct Section found that Humana frequently sought reimbursement from providers more than a year after claims were paid.

"Many doctors in Missouri are small-business owners, and they need to know promptly if there's a payment error," said Huff, director of the Missouri Department of Insurance. "That's why Missouri law gives health insurers no more than one year to make these calculations and bring providers the finality they need."

The department’s investigation and Humana’s internal review found 1,052 improper reimbursements to 247 health care providers across Missouri. Under the settlement, Humana is required to reimburse the providers $608,642 for improperly collected refunds.

In market conduct exams and investigations, the department reviews insurance company practices regarding the treatment of policyholders. This includes the way premium rates are charged, the way insurers handle claims and other responsibilities under state law. These reviews can result in refunds for consumers, fines and corrections in business practices, as well as other remedies.

Since the beginning of 2009, the Market Conduct Section has recovered nearly $3.6 million in refunds for consumers and collected $3.6 million in fines, which by law go to the Missouri State School Fund.

Consumers with complaints or general questions about insurance can call the department’s Insurance Consumer Hotline at 800-726-7390 or visit insurance.mo.gov.

About the Missouri Department of Insurance, Financial Institutions & Professional Registration
The Missouri Department of Insurance, Financial Institutions and Professional Registration (DIFP) is responsible for consumer protection through the regulation of financial industries and professionals. The department’s seven divisions work to enforce state regulations both efficiently and effectively while encouraging a competitive environment for industries and professions to ensure consumers have access to quality products.

###