

FEB-03-2010 WED 09:05 AM

FAX NO.

P. 03

**Texas Department of Insurance**

Consumer Protection, Mail Code 111-1A  
333 Guadalupe • P. O. Box 149091, Austin, Texas 78714-9091  
512-322-4309 • 512-305-7403 fax • [www.tdi.state.tx.us](http://www.tdi.state.tx.us)

January 4, 2010

The Honorable Jane Nelson  
Texas Senate  
P.O. Box 12068 – Capitol Station  
Austin, Texas 78711

Dear Senator Nelson:

In response to your December 8, 2009, inquiry regarding the SB 416 (78<sup>th</sup> Legislature) prohibition against health benefit plans charging a fee for the adjudication of an electronic claim, the Texas Department of Insurance has taken the following action:

- o Responded to a complaint from the Texas Pharmacy Business Council received November 12, 2009
- o Contacted Humana Pharmacy Solutions regarding the \$0.25 processing fee
- o Reviewed Humana's December 9, 2009, response that suggests that the practice is permitted because pharmacies are not individuals and therefore that Section 1213.005 of the Texas Insurance Code does not apply to Humana's pharmacy agreement
- o Consulted our Enforcement Division regarding this prohibited practice and again informed Humana that such a fee is not permitted
- o Discussed this issue during the December 10, 2009, TDI Pharmacy Outreach conference call

Humana has agreed to withdraw this language from its notice regarding contract changes for pharmacies in Texas. Attached please find our detailed response to Humana regarding this prohibited practice. To provide additional public awareness, we will add an FAQ to our prompt pay FAQ web resource and to the Pharmacists Resource page about this prohibited practice and share this information during the January 14, 2010, TDI Pharmacy Outreach conference call.

We welcome your further inquiries regarding this matter should you need additional information.

Sincerely,

Handwritten signature of Audrey Selden in cursive.

Audrey Selden  
Senior Associate Commissioner