



## AUBRIE L. KENT

### ASSOCIATE

D 267.948.2504

F 610.667.7056

[akent@ktmc.com](mailto:akent@ktmc.com)

#### FOCUS AREAS

Securities Fraud

#### EDUCATION

Portland State University

B.A., 2018 *cum laude*, Honors in History

University of Cambridge

Master of Philosophy, 2019

Emory University

J.D., 2024 with honors

#### ADMISSIONS

Pennsylvania

Aubrie, an Associate with the Firm, concentrates her practice in securities litigation. Aubrie graduated from the Emory University School of Law with honors in 2024. At Emory, she served as a Notes and Comments Editor on the Emory Law Journal and was the 2023 recipient of the Journal's Mary Laura "Chee" Davis Award for Writing Excellence. While in law school, she interned with Judge Jason Ashford in Houston County, Georgia. She received her B.A. From Portland State University in 2018 and her MPhil from the University of Cambridge in 2019.

#### Current Cases

- Humana, Inc.

#### CASE CAPTION

*In re Humana Inc. Securities Litigation*

#### COURT

United States District Court for the District of Delaware

#### CASE NUMBER

1:24-cv-00655-JLH

#### JUDGE

Honorable Jennifer L. Hall

#### PLAINTIFF

SEB Investment Management AB ("SEB")

#### DEFENDANTS

Humana, Inc., Bruce D. Broussard, and Susan M.

Diamond

**CLASS PERIOD**

July 27, 2022 through October 1, 2024, inclusive

Defendant Humana Inc. is an insurance and healthcare company that provides medical benefit plans to approximately 16.3 million people. This securities fraud class action arises out of Humana's materially false or misleading statements concerning the profitability and quality of its core Medicare Advantage business, which generates the vast majority of the Company's revenue. Medicare Advantage plans provide health insurance to seniors over the age of 65 and those under 65 with particular disabilities.

On November 20, 2024, Plaintiff filed a 215-page complaint on behalf of a putative class of investors alleging that Defendants Humana, its former Chief Executive Officer, Bruce D. Broussard, and current Chief Financial Officer, Susan Diamond, violated Sections 10(b) and 20(a) of the Securities Exchange Act.

As alleged in the Complaint, Humana reaped record profits during the height of the COVID-19 pandemic due to abnormally low use of healthcare services by the Company's Medicare Advantage members. By mid-2022, investors were concerned that Humana would see heightened healthcare utilization, and therefore lower profits, as its Medicare Advantage members began seeking care that had been deferred during the pandemic. For Humana, member utilization and the associated cost of providing member benefits is the key measure of the Company's profitability. During the Class Period, Defendants assured investors that the Company was continuing to experience favorable utilization trends in its Medicare Advantage business, and downplayed worries about future utilization increases. In addition, Defendants touted as a competitive advantage and revenue-driver Humana's Star ratings—a quality measure assigned each year by the Centers for Medicare & Medicaid Services ("CMS") that had historically resulted in billions of dollars in additional payments to Humana.

However, unbeknownst to investors, as the effects of the pandemic abated, Defendants knew that the depressed utilization had created a massive backlog of healthcare needs, particularly elective surgical procedures. By the beginning of the Class Period in July 2022, Defendants knew that there was a surge of Medicare Advantage members seeking previously deferred care, which was significantly increasing the Company's benefit expenses. Moreover, Defendants knew that the Company's own internal analyses showed that Humana faced a significant downgrade in its Star ratings, jeopardizing billions in Medicare revenue.

The Complaint alleges that Defendants actively concealed the Company's increased Medicare Advantage utilization through

improper denials of claims for medical services and aggressive prior authorization practices. At the same time, Defendants undertook a series of destructive cost-cutting measures and headcount reductions. These cost-cutting measures led to declines in the quality of Humana's Medicare Advantage benefit plans, and ultimately, its Star ratings by hamstringing the departments responsible for ensuring that Humana's members had access to high quality, accessible, and efficient healthcare.

The truth regarding Humana's increased utilization began to emerge in June 2023, causing a series of stock price declines in the latter half of 2023 and early 2024. Throughout this period, Defendants continued to tout the Company's Star ratings and claimed that they could offset the Company's increased utilization costs through further cost cuts. Then, in October 2024, the truth regarding the dramatic decline in Humana's Medicare Advantage plans was revealed when the Company's significantly degraded Star ratings were released by CMS, causing another precipitous drop in Humana's stock price.

[Read Amended Class Action Complaint Here](#)

### **Publications**

Laicite or Laicita: The Regulation of Religious Symbols in French and Italian Public Schools, 73 Emory L. J. 191 (2023) - View Publication [Here](#)