

STATE OF WASHINGTON

MIKE KREIDLER
STATE INSURANCE COMMISSIONER

Phone: (360) 725-7000
www.insurance.wa.gov



OFFICE OF
INSURANCE COMMISSIONER

In the Matter of)
)
 SAMARITAN MINISTRIES INTERNATIONAL,) No. 11-0075
 SAMARITAN MV, SAVE TO SHARE, and)
 CHRISTIAN HEALTH CARE NEWSLETTER,) ORDER TO CEASE AND DESIST
) RESCINDED
)
 Unauthorized Entities,)
 and)
 TED PITTENGER, ERIC ACKERMAN, KEN)
 REUTTER, JONATHAN BEN-EZRA, ROBERT)
 STEWART, JERED STUBER, SETH BEN-)
 EZRA, CAMERON EASLEY, RICHARD)
 DRIGGERS, BRYAN EVANS, ANTHONY)
 HOPP, DeWAYNE ARINGTON, JAMES)
 LANSBERRY, JOHN CHANEY, JAMIE PYLES,)
 STEVE McHUGH, RAY KING, WILLIAM)
 KURTH, FRANK LEWIS, and KARI LEWIS,)
)
 Principals.

To: The above Respondents

Samaritan Ministries
PO Box 3618
Peoria, IL 61612

Via e-mail to:

smchcn@smchcn.net

IT IS ORDERED and you are hereby notified that the ORDER TO CEASE AND DESIST previously entered in this matter against the above Respondents on April 1, 2011, is hereby rescinded. This **ORDER** is effective immediately.

THIS ORDER IS BASED UPON THE FOLLOWING:

On April 1, 2011, the Commissioner entered a Cease and Desist Order against the above Respondents based on their engaging in the unauthorized business of insurance in the state of Washington. The laws upon which that Cease and Desist Order was based have now

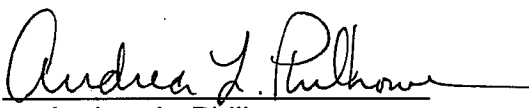


been amended. On May 11, 2011, Washington Governor Christine Gregoire signed ESSB 5122 into law, which changes the definition of "Health Plans" and "Health Benefit Plans" which are subject to the Washington Insurance Code. The new definition now excludes health care sharing ministries such as that operated by Respondents from regulation under the Washington State Insurance Code.

Respondents have the right to demand a hearing on this Order pursuant to chapters 48.04 and 34.05 RCW. This Order shall remain in effect subject to the further order of the Commissioner.

THIS ORDER IS EFFECTIVE IMMEDIATELY AND IS ENTERED at Tumwater, Washington, this 31st day of May, 2011.

MIKE KREIDLER
Insurance Commissioner

By: 
Andrea L. Philhower
Legal Affairs Division
Office of Insurance Commissioner
State of Washington

CERTIFICATE OF MAILING

The undersigned certifies under the penalty of perjury under the laws of the State of Washington as follows:

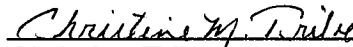
I am now and at all times herein mentioned have been a citizen of the United States and a resident of the State of Washington. I am over the age of eighteen years, not a party to or interested in the above-entitled action, and competent to be a witness herein. On the date given below I caused to be served the foregoing ORDER RESCINDING ORDER TO CEASE AND DESIST on the following individuals via US Mail and e-mail.

Samaritan Ministries
PO Box 3618
Peoria, IL 61612

And via e-mail to:

smchcn@smchcn.net

SIGNED this 31st day of May, 2011, at Tumwater, Washington.



Christine Tribe

MIKE KREIDLER
STATE INSURANCE COMMISSIONER

STATE OF WASHINGTON

Phone: (360) 725-7000
www.insurance.wa.gov



OFFICE OF
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 RAY KING, WILLIAM KURTH, FRANK LEWIS,)
 KARI LEWIS,)
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 Principals.)
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To: The above Respondents

Samaritan Ministries
PO Box 3618
Peoria, IL 61612

Via e-mail to:

smchcn@smchcn.net

Pursuant to RCW 48.02.080, 48.30.010 and RCW 48.42.010 - 050, the Office of the Insurance Commissioner ("OIC") orders Samaritan Ministries International, Samaritan MV, Save To Share, and Christian Health Care Newsletter, Ted Pittenger, Eric Ackerman, Ken Reutter, Jonathan Ben-Ezra, Robert Stewart, Jed Stuber, Seth Ben-Ezra, Cameron Easley, Richard Driggers, Bryan Evans, Anthony Hopp, Dewayne Arington, James Lansberry, John Chaney, Jamie Pyles, Steve McHugh, Ray King, William Kurth, Frank Lewis, Kari Lewis, their



officers, directors, trustees, agents, and affiliates ("Respondents") to immediately cease and desist from:

- A. engaging in the unauthorized business of insurance in the state of Washington, which includes operating or participating in a system or program such as those described as "needs sharing" or involving organizing the transfer of money from people to pay the health care or property/casualty needs of others;
- B. involving any Washington resident in such a system or program;
- C. soliciting, advertising, seeking, pursuing, obtaining or continuing any insurance business in the state of Washington, which includes a system or program such as those described in subsection "A" of this Order;
- D. soliciting Washington residents to induce them to participate in any system or program such as those described in subsection "A" of this Order;
- E. representing to Washington residents that Respondents are offering any system or program such as those described in subsection "A" of this Order that is exempt from regulation by the OIC;
- F. representing to Washington residents that Respondents are offering a health plan or policy, or coverage of any of the types listed in RCW 48.42.010, that is exempt from regulation by the OIC unless and until Respondents demonstrate to the OIC's satisfaction that the Respondents are subject to the jurisdiction and regulation of another agency of this state, any subdivision thereof, or the federal government, including the U.S. Department of Labor as required by RCW 48.42.010;
- G. offering a health plan or policy, or coverage of any of the types listed in RCW 48.42.010; that has not been approved by the OIC until Respondents demonstrate to the OIC's satisfaction that the Respondents are subject to the jurisdiction and regulation of another agency of this state, any subdivision thereof, or the federal government, including the U.S. Department of Labor as required by RCW 48.42.010;
- H. offering a health plan or policy, or coverage of any of the types listed in RCW 48.42.010 without submitting to examination by the Insurance Commissioner to determine the organization and solvency of the person or the entity, and to determine whether or not such person or entity complies with the applicable provisions of the Insurance Code as required by RCW 48.42.030 and RCW 48.42.040;
- I. offering a health plan or policy, or coverage of any of the types listed in RCW 48.42.010, where the coverage is not fully insured or otherwise fully covered by Washington admitted life or disability insurers or health care service contractors or health maintenance organization agreements and where every purchaser, prospective purchaser, and covered person has not been advised of the lack of insurance or other coverage as required by RCW 48.42.050;

- J. offering a health plan or policy, or coverage for medical expenses, or a property/casualty plan or policy, or coverage for motor vehicle-related expenses, without being authorized by a Certificate of Authority issued to it by OIC and then in force as required by RCW 48.05.030, except as otherwise provided for in the Washington Insurance Code, including compliance with all requirements of Chapter 48.05 RCW;
- K. offering a health plan or policy, or coverage for medical expenses, or a property/casualty plan or policy, or coverage for motor vehicle-related expenses, without having filed and received OIC approval of both its rates and its forms as required under Chapter 48.18 and 48.19 RCW; and
- L. Operating as an assessment mutual insurer for health insurance in violation of RCW 48.06.020.

THIS ORDER IS BASED ON THE FOLLOWING:

1. Samaritan Ministries International is a non-profit corporation domiciled in Illinois. Save to Share, Samaritan MV, and Christian Health Care Newsletter are apparently programs, divisions, or other sub-units of Samaritan Ministries International. The individually-named Respondents are believed to be principals, board members, and/or employees of Samaritan Ministries International, based upon the Company's representations on its website, www.samaritanministries.org.
2. Respondents operate an enterprise they term a "needs sharing ministry," which involves the organization of the transfer of money from its "members" to pay the health care or property/casualty needs of other "members." The property/casualty aspect of the enterprise appears to be limited to coverage of medical costs resulting from motor vehicle accidents.
3. Respondents describe the health care aspect of their enterprise as follows:

Samaritan Ministries publishes a monthly newsletter mailing that reports the total Shares and Needs and includes an individualized Share Notice for each member household. The Share Notice tells each household how to pray for a specific member with a Need and what his address is, so the Share can be sent to him. Typically less than 10 percent of the members have a Need in a given month and are receiving Shares.

When a member has a health care "Need" he receives health care treatment from a provider of his choice, collects the bills, and sends them to Samaritan Ministries. Samaritan Ministries verifies that the Need meets the Guidelines. Then, in the monthly newsletter mailing, Samaritan Ministries directs some members to send their Shares to the member with the Need. The member with the need receives the shares to pay his health care bills.

Reprinted from WWW.samaritanministries.org

4. They describe the property/casualty aspect of their enterprise as follows: ✓

Most medical needs from accidents involving most motorized vehicles are not publishable in the basic ministry. Members who would like to share in these needs have the option of joining *SamaritanMV™*. These members share an additional amount each month based on their family size (see chart below) in order to share in medical needs that have resulted from motor vehicle accidents.

Id.

5. This enterprise appears to be engaged in the unauthorized business of insurance in the state of Washington.
6. This enterprise is engaged in the business of both health care and property/casualty insurance and claims to have "members" in all 50 states. The OIC has information regarding at least one Washington resident who was a "member" of Samaritan Ministries International.
7. The website SamaritanMinistries.org demonstrates that Respondents are aware that this system or program is insurance and that it is illegal in at least several, if not all, States absent compliance with the States' insurance laws.
8. Respondents' knowing and willful engagement in the unauthorized business of insurance in Washington endangers Washington residents by enticing them to forego legal insurance coverage through false assurance that their medical bills will be paid. It deprives Washington residents of the multitude of rights and consumer protection mechanisms provided under the Washington Insurance Code. It defrauds the State of Washington of premium tax monies to which it is entitled. It institutionalizes discrimination of several prohibited types.
9. Chapter 48.42 RCW provides that any person or other entity which provides coverage in this state for medical, surgical, chiropractic, physical therapy, speech pathology, audiology, professional mental health, dental, hospital, or optometric expenses, whether the coverage is by direct payment, reimbursement, the providing of services, or otherwise, shall be subject to the authority of the state Insurance Commissioner, unless the person or other entity shows that while providing the services it is subject to the jurisdiction and regulation of another agency of this state, any subdivisions thereof, or the federal government. The chapter's various subsections set forth requirements for entities to prove such regulation and to operate in Washington under such regulation.
10. Chapter 48.05 RCW prohibits an entity from offering insurance products in Washington without being authorized by a Certificate of Authority issued to it by OIC and then in force as required by RCW 48.05.030, except as otherwise provided for in the Washington Insurance Code. The subsections of the chapter include several requirements for authorization and maintenance thereof.


11. Chapters 48.18 and 48.19 RCW prohibit an entity from offering the types of coverage offered by Respondents, without having filed and received OIC approval of both its rates and its forms.
12. Respondents have violated the above-cited provisions by acting as an unauthorized insurer in this state and issuing and delivering to Washington residents insurance products, the rates and forms for which have not been filed, and the provisions of which violate multiple provisions of the Insurance Code.

Any violation of the terms of this Order by Respondents, their officers, directors, agents, or affiliates, will render the violator(s) subject to the full penalties authorized by the Washington Insurance Code.

Respondents have the right to demand a hearing pursuant to chapters 48.04 and 34.05 RCW. This Order shall remain in effect subject to the further order of the Commissioner.

THIS ORDER IS EFFECTIVE IMMEDIATELY AND IS ENTERED at Tumwater, Washington, this 15th day of April, 2011.

MIKE KREIDLER
Insurance Commissioner

By: 
Andrea L. Philhower
Legal Affairs Division
Office of Insurance Commissioner
State of Washington

CERTIFICATE OF MAILING

The undersigned certifies under the penalty of perjury under the laws of the State of Washington as follows:

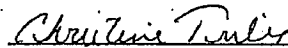
I am now and at all times herein mentioned have been a citizen of the United States and a resident of the State of Washington. I am over the age of eighteen years, not a party to or interested in the above-entitled action, and competent to be a witness herein. On the date given below I caused to be served the foregoing ORDER TO CEASE AND DESIST on the following individuals via US Mail and e-mail.

Samaritan Ministries
PO Box 3618
Peoria, IL 61612

And via e-mail to:

smchcn@smchcn.net

SIGNED this 1st day of April, 2011, at Tumwater, Washington.



Christine Tribe