

**STATE OF WASHINGTON  
OFFICE OF THE INSURANCE COMMISSIONER**

*In the Matter of*

**TRINITY HEALTHSHARE, INC.**

Unauthorized Entity.

Respondent.

Order No. 19-0252

**ORDER TO CEASE AND DESIST**

Pursuant to RCW 48.02.080, RCW 48.15.020, and RCW 48.15.023, the Insurance Commissioner of the state of Washington (“Insurance Commissioner”) orders the above-named Respondent, and its officers, directors, trustees, employees, agents, and affiliates to immediately cease and desist from:

- A. Engaging in or transacting the unauthorized business of insurance in the state of Washington;
- B. Seeking, pursuing and obtaining any insurance business in the state of Washington;
- C. Soliciting Washington residents to sell any insurance issued or to be issued by an unauthorized insurer;
- D. Soliciting Washington residents to purchase any insurance contract.

**BASIS:**

1. Trinity HealthShare, Inc. (“Trinity”) is a nonresident corporation domiciled in Delaware. Trinity represents itself as a health care sharing ministry (“HCSM”) as defined by 26 USC §5000A and incorporated by reference under RCW 48.43.009. Trinity does not hold a certificate of authority in the state of Washington.

2. To qualify as a health care sharing ministry under the Internal Revenue Service (IRS) and Washington law, a HCSM must be a 501(c)(3) organization whose members share a common set of ethical or religious beliefs and share medical expenses among members in accordance with those beliefs. A HCSM must also have been in operation and continuously sharing member health care costs since at least December 31, 1999.

3. Washington adopts the IRS definition of HCSM under RCW 48.43.009. HCSMs that comply with the required federal provisions are not considered Washington health carriers or insurers and are exempt from regulation under Washington’s insurance code.

4. Following receipt of a complaint, the Insurance Commissioner investigated to determine whether Trinity is accurately representing itself to Washington consumers as a HCSM in compliance with state and federal law. The complaint alleged that Trinity’s corporate partner, Alieria Healthcare, Inc. (“Alieria”), is soliciting and recruiting agents to sell misleading products to Washington consumers because the co-branded marketing materials use language that may lead the average consumer to believe they are purchasing healthcare insurance rather than a HCSM membership.

5. The investigation determined that Trinity does not meet the legal definition of a HCSM and is therefore acting as an unauthorized insurer in the state of Washington.

6. Trinity first incorporated in the state of Delaware on June 27, 2018. Approximately six weeks later, Trinity entered into a Management and Administration Agreement (“the Agreement”) with Alieria. The Agreement was effective August 13, 2018, and stated Trinity’s intent to partner with Alieria to include Trinity’s HCSM program as a component of Alieria’s new and existing healthcare products. Trinity also grants its corporate affiliate Alieria the exclusive right to develop, market, and sell its HCSM plans to individuals who agree to Trinity’s statement of faith and lifestyle requirements.

7. Trinity has been in existence less than one (1) year. Further, at the time of the Agreement with Alieria, Trinity had zero members in its HCSM and there was no predecessor organization in which Trinity’s members were sharing medical costs. Trinity, with zero members, further provided that any future enrolled members would become “customers” of Alieria, who would maintain ownership over the “membership roster.” Trinity has not “been in operation and continuously sharing member health care costs since at least December 31, 1999” as required to qualify for exemption from state insurance regulation.

8. Trinity espouses contradictory versions of the required “common set of ethical or religious beliefs” that vary based on the intended audience. If Trinity’s members do not share common beliefs – regardless of the content of such beliefs – and share medical burdens in accordance with those common beliefs, Trinity cannot represent itself as a HCSM.

9. Trinity has communicated to state and federal regulatory authorities that it holds to a Protestant expression of the Christian faith. Trinity's own bylaws obligate its members to affirm this expression of faith. However, according to its website, Trinity offers an alternative solution to health insurance and offers membership to individuals of "all faiths." In training materials to prospective agents, Trinity's statement of faith becomes simply a belief in a higher power, whether a Christian, Buddhist, or Jewish God. This statement of faith, as presented to the public, is materially different from and inconsistent with the statement of faith that Trinity has claimed to regulatory authorities, demonstrating that Trinity and its ministers do not share "a common set of ethical or religious beliefs" as required to qualify for exemption from state insurance regulation.

10. Finally, Trinity also grants Alera the contractual right to "agree upon" the required statement of beliefs. Conditioning its common set of ethical or religious beliefs on the consent of its for-profit corporate partner is contradictory to Trinity's own statements about its religious traditions.

11. RCW 48.05.030(1) states no person shall act as an insurer and no insurer shall transact insurance in this state other than as authorized by a certificate of authority issued to it by the Insurance Commissioner and then in force; except, as to such transactions as are expressly otherwise provided for in this code.

12. RCW 48.30.040 states no person shall knowingly make, publish, or disseminate any false, deceptive or misleading representation or advertising in the conduct of the business of insurance, or relative to the business of insurance or relative to any person engaged therein.

13. RCW 48.02.080(3) states if the Insurance Commissioner has cause to believe that any person is violating or is about to violate any provision of this code or any regulation or order of the Insurance Commissioner, he or she may: (a) issue a cease and desist order.

14. RCW 48.15.023(5)(a) states if the Insurance Commissioner has cause to believe that any person has violated the provisions of RCW 48.15.020(1), the Insurance Commissioner may: (i) issue and enforce a cease and desist order in accordance with the provisions of RCW 48.02.080.

15. RCW 48.44.015(1) provides that a person may not in this state, by mail or otherwise, act as or hold himself or herself out to be a health care service contractor, as defined in RCW 48.44.010 without first being registered with the Insurance Commissioner.

16. The Respondent's actions described herein violate Insurance Code provisions that include RCW 48.05.030 (certificate of authority required), RCW 48.14.020 (failure to timely pay premium tax), RCW 48.15.020 (solicitation by unauthorized insurer prohibited), and RCW 48.30.040 (unfair practices and frauds).

**IT IS FURTHER ORDERED** that nothing herein shall prevent the Respondent from fulfilling the terms of contracts formed prior to the effective date of this Order pursuant to RCW 48.15.020(2)(b).

Any violation of the terms of this Order by the Respondent and its officers, directors, trustees, employees, agents, and affiliates or the Respondent's failure to fulfill or perform its contracts subject to this Order will render the violator(s) subject to the full penalties authorized by RCW 48.02.080, 48.15.023, and other applicable sections of the Insurance Code of the state of Washington.

The Respondent has the right to demand a hearing in accordance with RCW 48.04.010, WAC 284-02-070, and WAC 10-08-110.

This Order shall remain in effect subject to the further order of the Insurance Commissioner.

**THIS ORDER IS EFFECTIVE IMMEDIATELY AND IS ENTERED** at Tumwater, Washington, this 13<sup>th</sup> day of MAY, 2019.



MIKE KREIDLER  
Insurance Commissioner

By and through his designee



KIMBERLY TOCCO  
Insurance Enforcement Specialist  
Legal Affairs Division

**CERTIFICATE OF MAILING**

The undersigned certifies under the penalty of perjury under the laws of the state of Washington that I am now and at all times herein mentioned, a citizen of the United States, a resident of the state of Washington, 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 individual(s) in the manner listed below:

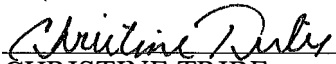
*By depositing in the U.S. mail via state Consolidated Mail Service with proper postage affixed to:*

Trinity Healthshare  
5901 Peachtree Dunwoody Rd., Ste 160  
Atlanta, GA 30328

*By email and by depositing in the U.S. mail via state Consolidated Mail Service with proper postage affixed to:*

J. Joseph Guilkey  
BakerHostetler  
200 Civic Center Drive, Ste. 1200  
Colombus, OH 43215  
jguilkey@bakerlaw.com

Dated this 13<sup>th</sup> day of May, 2019, in Tumwater, Washington.

  
CHRISTINE TRIBE  
Paralegal  
Legal Affairs Division