

<b>STATE OF COLORADO</b> <b>DEPARTMENT OF REGULATORY AGENCIES</b> <b>DIVISION OF INSURANCE</b> 1560 Broadway, Suite 850, Denver, CO 80202	<b>▲ AGENCY USE ONLY ▲</b>
<p>Before the Division of Insurance,</p> <p><b>IN THE MATTER OF ALIERA HEALTHCARE, INC. (n/k/a THE ALIERA COMPANIES, INC.)</b></p>	
<b>FINAL AGENCY ORDER</b>	

THIS MATTER comes before Michael E. Conway, Commissioner of Insurance for the State of Colorado (“Commissioner”), upon the Stipulation for Entry of Final Agency Order (“Stipulation”) between the Colorado Division of Insurance (“Division”) and Alieria Healthcare, Inc. (“Respondent”). After reviewing the Stipulation, the Commissioner makes the following findings and enters the following order:

### FINDINGS

1. The Commissioner has jurisdiction over Respondent and the subject matter herein pursuant to the provisions of the Colorado Producer Licensing Model Act, §§ 10-2-101 through 10-2-1101, C.R.S. (the “PLMA”).
2. By entering into the Stipulation, Respondent has waived its right to a hearing in this matter pursuant to §§ 10-2-801, 10-3-904.6, and 24-4-104, 105, and 106, C.R.S.; the right to be represented at such hearing by counsel chosen and retained by it; the right to present a defense, to present oral and documentary evidence, to cross-examine witnesses at such hearing, and the right to seek judicial review of this Final Agency Order.
3. The Commissioner accepts the terms of the Stipulation.
4. Respondent admits the facts recited in Section II of the Stipulation.

### ORDER

Based upon the foregoing and the terms of the Stipulation between the Division and Respondent, it is hereby ORDERED as follows:

1. Alera and its subsidiaries, affiliates, and assigns will not provide any services or contract with any unauthorized insurers or unauthorized insurance products, including but not limited to, Health Care Sharing Ministries (“HCSM”) or programs representing themselves as HCSMs, unless and until HCSMs are permitted to be marketed in Colorado either by statute, or through an administrative or judicial determination that HCSMs are not an insurance product subject to regulation by the Commissioner.

2. Notwithstanding the above, Alera shall continue to administer and act as program manager for any and all Colorado consumers currently enrolled in Trinity Healthshare, Inc. (“Trinity”) programs until the Commissioner releases such obligation.

3. Alera agrees to comply with all Colorado insurance laws and regulations.

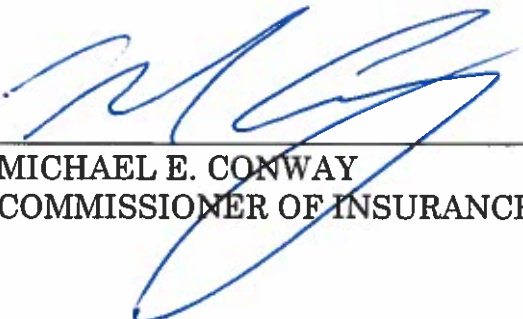
4. The Division agrees to withdraw the Cease and Desist Order upon the execution of the Final Agency Order approving this Stipulation.

5. In the event the Division takes action relating to alleged violations of this Stipulation or Final Agency Order approving this Stipulation, the Commissioner shall retain all authority provided to him under 10-3-904.6(5), C.R.S., including, but not limited to, the right to determine whether the Stipulation or Final Agency order have been violated; the right to conduct a hearing to make such determination; and the right to impose civil penalties and restitution in accordance with 10-3-904.6(5)(a), (b), and (c), C.R.S.

6. In the event the Division commences an action against Respondent for an alleged violation of this Final Agency Order, the Final Agency Order, Stipulation, and the factual basis of this proceeding shall be admissible in any such action.

7. The Stipulation is incorporated by reference, and all of its conditions, terms, and agreements are specifically made a part of this Order as though fully set forth herein.

DONE AND ORDERED this 13th day of January, 2020.



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MICHAEL E. CONWAY  
COMMISSIONER OF INSURANCE

**CERTIFICATE OF SERVICE**

This is to certify that I have duly served the within **FINAL AGENCY ORDER** upon all parties herein by depositing copies of same in the United States mail, first class postage prepaid, at Denver, Colorado, this 13<sup>th</sup> day of January, 2020, addressed as follows:

Alissa H. Gardenswartz, #36126  
Brownstein Hyatt Farber Schreck, LLP  
410 Seventeenth Street  
Suite 2200  
Denver, CO 80202  
*Attorney for Alera Healthcare, Inc.*

*(Via e-mail)*

Evan Spencer  
Assistant Attorney General  
Peter W. Frigo  
Senior Assistant Attorney General  
Colorado Department of Law  
[Evan.spencer@coag.gov](mailto:Evan.spencer@coag.gov)  
[Peter.frigo@coag.gov](mailto:Peter.frigo@coag.gov)  
*Attorneys for the Division of Insurance*

  
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For the Division of Insurance

STATE OF COLORADO  
DIVISION OF INSURANCE  
DEC 09 2019  
RECEIVED

<b>STATE OF COLORADO DEPARTMENT OF REGULATORY AGENCIES DIVISION OF INSURANCE 1560 Broadway, Suite 850, Denver, CO 80202</b>	
<b>Before the Division of Insurance,</b>	<b>▲ AGENCY USE ONLY ▲</b>
<b>IN THE MATTER OF ALIERA HEALTHCARE, INC. (n/k/a THE ALIERA COMPANIES, INC.)</b>	<b>Final Agency Order Number:</b>
	Division File No.: 268068
	DOI Order No. 0-20-006
<b>STIPULATION FOR ENTRY OF FINAL AGENCY ORDER</b>	

The Colorado Division of Insurance (“Division”), and Alieria Healthcare, Inc., hereby enter into this Stipulation for Entry of Final Agency Order (“Stipulation”) to resolve the matters at issue in *Ex Parte* Emergency Cease and Desist Order number 0-20-006 (“Cease and Desist Order”), and hereby stipulate and agree as follows:

### I. JURISDICTION AND PARTIES

1. Pursuant to § 10-1-108(7), C.R.S., the Commissioner of Insurance (“Commissioner”) has the duty and responsibility to supervise the business of insurance in the state of Colorado to assure it is conducted in accordance with Colorado law and in such a manner as to protect policyholders and the general public.

2. Pursuant to § 10-1-108(5), C.R.S., the Commissioner has the duty to make such investigations and examinations as are authorized by Title 10 of the Colorado Revised Statutes and to investigate such information as is presented to the Commissioner by authority that the Commissioner believes to be reliable pertaining to violations of Colorado insurance laws.

3. Section 10-1-102(12), C.R.S., defines “insurance” as, a contract whereby one, for consideration, undertakes to indemnify another or to pay a specified or ascertainable amount or benefit upon determinable risk contingencies.

4. Section 10-1-102(6)(a), C.R.S., defines insurance company<sup>1</sup> to include all corporations, associations, partnerships, or individuals engaged as insurers in the business of insurance.

5. Pursuant to § 10-2-102(13), C.R.S., an insurer is every person engaged as principal, indemnitor, surety, or contractor in the business of making contracts of insurance.

6. Pursuant to § 10-3-105(1), C.R.S., no foreign or domestic insurance company shall transact any insurance business in this state, unless it first procures from the commissioner a certificate of authority stating that the requirements of the laws of this state have been complied with and authorizing it to do business.

7. Pursuant to § 10-3-903, C.R.S., the making of, or proposing to make, as an insurer, an insurance contract, by an unauthorized insurer, constitutes transacting insurance business in this state.

8. Pursuant to § 10-3-904.5, C.R.S., when the Commissioner believes that an unauthorized person is engaging in the transaction of insurance business in violation of §§ 10-3-105 or 10-3-903, C.R.S., or any rule promulgated by the Commissioner, and when it appears to the Commissioner that such conduct is fraudulent, creates an immediate danger to the public safety, or is causing or can be reasonably expected to cause significant, imminent, and irreparable public injury, the Commissioner may issue an *ex parte* emergency cease and desist order to such unauthorized person to immediately cease and desist from such unlawful conduct.

9. The Colorado Division of Insurance (“Division”) is an agency charged with the execution of laws relating to insurance and has supervising authority over the business of insurance in this state pursuant to § 10-1-103(1), C.R.S. Pursuant to § 10-1-104(2), C.R.S., the Commissioner has delegated the duties and responsibilities of investigating, enforcing, and taking actions to enforce compliance with the insurance laws of Colorado to the Division and its staff.

10. Alieria Healthcare, Inc. (n/k/a The Alieria Companies, Inc.) (“Alieria”) is a foreign, for-profit corporation, organized under the laws of Delaware and doing business in Colorado.<sup>2</sup>

11. Alieria first incorporated in the State of Delaware on September 29, 2011.

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<sup>1</sup> The section defines “company”, “corporation”, “insurance company”, or “insurance corporation.”

<sup>2</sup> Alieria Healthcare, Inc. has secured a name change to The Alieria Companies, Inc in both Delaware and Colorado Secretary of State records. The statement of change of entity name was filed with the Colorado Secretary of State on September 20, 2019. Alieria has not updated its licensing record with the Division to incorporate this name change.

12. Alieria is licensed as a non-resident insurance producer with life, and accident and health lines of authority, license number 544844.

13. The Commissioner has jurisdiction over Alieria and the subject matter of the Cease and Desist Order pursuant to §§ 10-3-901 through 10-3-910, C.R.S.

## **II. PROCEDURAL HISTORY AND FACTUAL FINDINGS**

14. The Cease and Desist Order relates to Alieria's relationship with Trinity Healthshare, Inc. ("Trinity"), a foreign corporation organized under the laws of Delaware.

15. Trinity represents itself as a healthcare sharing ministry ("HCSM") as defined by 26 USC §5000A.

16. Trinity does not hold a certificate of authority in the State of Colorado.

17. On or around August 13, 2018, Alieria and Trinity entered into a Marketing and Administration Agreement ("Agreement").

18. Under the Agreement, Alieria is the administrator, marketer, and program manager for Trinity.

19. As program manager for Trinity, Alieria is responsible for the development of plan designs, pricing, and marketing materials, and vendor management, and recruitment and maintenance of a national sales force to market plans.

20. Under the Agreement, Alieria has the exclusive right to design, market, and sell the Trinity HCSM.

21. Alieria markets Trinity's HCSM products as alternatives to traditional health insurance.

22. Alieria markets Trinity's HCSM products to Colorado consumers and utilizes licensed resident insurance producers to sell Trinity's HCSM products within the State of Colorado.

23. On August 12, 2019, the Commissioner issued the Cease and Desist Order against Alieria based on his finding that Trinity was operating as an unlicensed insurance company. The Cease and Desist Order ordered Alieria and all of its agents, affiliates, employees, contractors, successors in interest, and or authorized representatives cease and desist from the solicitation, negotiation, sale, or effectuation of any and all Trinity HCSM products in the State of Colorado.

### III. RESOLUTION

24. In order to avoid the time, cost, and uncertainty of litigation, and for the consideration recited below, the sufficiency of which is acknowledged by the parties, Alera and the Division agree to settle this matter pursuant to the following terms:

- a. Alera admits the facts recited in Section II above;
- b. Alera agrees not to challenge the Cease and Desist Order;
- c. Alera and its subsidiaries, affiliates, and assigns agree not to provide any services or contract with any unauthorized insurers or unauthorized insurance products, including but not limited to, HCSMs or programs representing themselves as HCSMs, unless and until HCSMs are permitted to be marketed in Colorado either by statute, or through an administrative or judicial determination that HCSMs are not an insurance product subject to regulation by the Commissioner. Notwithstanding the above, Alera shall continue to administer and act as program manager for any and all Colorado consumers currently enrolled Trinity programs until the Commissioner of Insurance releases such obligation.; and
- d. Alera agrees to comply with all Colorado insurance laws and regulations;
- e. The Division agrees to withdraw the Cease and Desist Order upon the execution of the Final Agency Order approving this Stipulation.

25. By entering into this Stipulation, Alera knowingly and voluntarily waives its rights pursuant to §§ 10-3-904.6(1)-(4); and 24-4-104, 105, and 106, C.R.S., including, but not limited to the right to a hearing in this matter; the right to be represented at such hearing by counsel chosen and retained by it; the right to present a defense; to present oral and documentary evidence; to cross-examine witnesses at such hearing; and the right to seek judicial review of this Stipulation and the Final Agency Order approving this Stipulation.

26. The Division and Alera agree that this Stipulation is a full and final settlement of the matters at issue in *Ex Parte* Emergency Cease and Desist Order number 0-20-006.

27. Neither this Stipulation nor the Final Agency Order approving this Stipulation shall be deemed in any manner to prevent the Division from commencing any other agency action relating to any other conduct of Alera not settled herein, and without regard to whether such conduct occurred prior to the date of this Stipulation or the Final Agency Order approving this Stipulation.

28. Alera understands and acknowledges that the Division may take such lawful steps as may be required or appropriate to investigate and determine whether Alera is in compliance with this Stipulation and the Final Agency Order approving this Stipulation, and may take any action it deems appropriate to enforce compliance with the terms of the Stipulation and Final Agency Order.

29. In the event the Division takes action relating to alleged violations of this Stipulation or Final Agency Order approving this Stipulation, the Commissioner shall retain all authority provided to him under 10-3-904.6(5), C.R.S., including, but not limited to, the right to determine whether the Stipulation or Final Agency order have been violated; the right to conduct a hearing to make such determination; and the right to impose civil penalties and restitution in accordance with 10-3-904.6(5)(a), (b), and (c), C.R.S.

30. In the event the Division takes action relating to alleged violations of this Stipulation or Final Agency Order approving this Stipulation, the Stipulation and Final Agency Order shall be admissible in full in that proceeding for any purpose.

31. This Stipulation is entered into by Alera freely and voluntarily, after having had the opportunity to consult with counsel of its choice, and with full understanding and acceptance of the legal consequences of this Stipulation and the Final Agency Order approving this Stipulation. Alera affirms that it has read this Stipulation and fully understand its nature, meaning, content, and consequences.

32. Alera understands that this Stipulation and the Final Agency Order approving this Stipulation shall be reported to the National Association of Insurance Commissioners pursuant to § 10-2-803(2), C.R.S.

33. Alera agrees that upon execution of this Stipulation, no subsequent action or assertion shall be maintained or pursued in any manner asserting the invalidity of this Stipulation or the Final Agency Order approving this Stipulation and its provisions.

34. Invalidation of any provision of this Stipulation or the Final Agency Order approving this Stipulation by a court of competent jurisdiction will in no way affect any other provisions, which shall remain in full force and effect.



35. Upon the Commissioner's entry of the Final Agency Order approving this Stipulation, this Stipulation and the Final Agency Order shall be a public record in the custody of the Division under the Colorado Public Records Act, as required by §§ 24-72-200.1, *et seq.*, C.R.S.

36. This Stipulation is subject to approval by the Commissioner or his designee, and shall become binding upon the parties hereto upon such approval.

37. Should the Commissioner not approve this Stipulation, each party shall retain all of its rights, claims and defenses.

38. This Stipulation embodies the entire agreement between the Division and Alera, and there are no agreements, understandings, representations or warranties, which are not expressly set forth herein.

39. A facsimile or other copy of this Stipulation and Final Agency Order approving this Stipulation shall be treated as an original.

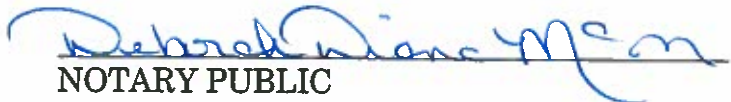
40. There are seven (7) pages to this Stipulation, including all signature pages.




CHASE MOSES  
ON BEHALF OF ALIERA HEALTHCARE, INC

12/05/19  
DATE

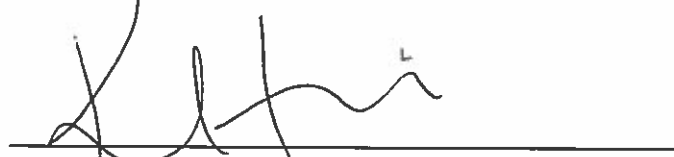
Subscribed and sworn to before me in the County of Fulton, State of Georgia, this 5th day of December 2019, by Chase Moses on behalf of Alera Healthcare, Inc.

  
NOTARY PUBLIC

My Commission expires: February 8th, 2021

Fulton County, State of Georgia  
I certify this to be a complete, correct  
copy of the original document. Certified  
5th day of December  
  
DEBORAH DIANA MCCAGG  
My commission expires February 8, 2021

**FOR THE COLORADO DIVISION OF INSURANCE**



Kate Harris  
Chief Deputy Commissioner  
Life & Health Policy

12/10/19  
Date

**APPROVED AS TO FORM**

**BROWNSTEIN HYATT FARBER  
SCHRECK, LLP**

**PHILIP J. WEISER**  
Attorney General



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