

**BEFORE THE DIVISION OF INSURANCE, STATE OF COLORADO**

Case File No. 268068  
DOI Order No. O-20-005

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***EX PARTE* EMERGENCY ORDER TO CEASE AND DESIST THE  
UNAUTHORIZED AND UNLAWFUL TRANSACTION OF THE BUSINESS OF  
INSURANCE IN THE STATE OF COLORADO**

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In the Matter of TRINITY HEALTHSHARE, INC.

Respondent.

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This matter comes before Michael Conway, Commissioner of Insurance for the state of Colorado (“Commissioner”), pursuant to the provisions of the Regulation of Unauthorized Insurance Act, §§ 10-3-901 through 10-3-910, C.R.S., whereby the Commissioner is authorized to issue an *ex parte* emergency cease and desist order to prevent the unauthorized transaction of insurance business in Colorado.

**PARTIES AND JURISDICTION**

1. Pursuant to § 10-1-108(7), C.R.S., the 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. 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.

3. Respondent, Trinity Healthshare, Inc. (“Respondent”) is a foreign corporation organized under the law of Delaware.

4. Respondent first incorporated in the state of Delaware on June 27, 2018.

5. Respondent represents itself as a healthcare sharing ministry (“HCSM”) as defined by 26 USC §5000A.<sup>1</sup>

6. Respondent does not hold a certificate of authority in the state of Colorado.

7. 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.

8. 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.

9. Section 10-1-102(6)(a), C.R.S., defines insurance company<sup>2</sup> to include all corporations, associations, partnerships, or individuals engaged as insurers in the business of insurance.

10. 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.

11. 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.

12. 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.

13. 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.

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<sup>1</sup> Respondent does not qualify as an HCSM under federal law as it has not been in operation and continuously sharing member health care costs since at least December 31, 1999. See 26 U.S.C. § 5000A(d)(2)(B).

<sup>2</sup> The section defines “company”, “corporation”, “insurance company”, or “insurance corporation.”

14. The Commissioner has jurisdiction over Respondent and the subject matter of this *Ex Parte* Emergency Cease and Desist Order (“Order”) pursuant to §§ 10-3-901 through 10-3-910, C.R.S.

### FINDINGS OF FACT

15. Respondent, by and through its agents and affiliates, offers insurance products in the state of Colorado.

16. Respondent offers its HCSM products as alternatives to traditional health insurance.

17. Respondent, by and through its agents and affiliates, is selling insurance products within the state of Colorado. Respondent utilizes licensed resident insurance producers to sell its products in Colorado.

18. Respondent does not hold a certificate of authority in the state of Colorado.

19. Moreover, an investigation by the Division has revealed that Respondent is the subject of administrative enforcement actions in Texas and Washington.

20. The Division has also received consumer complaints regarding Respondent’s business transactions and products.

### CONCLUSIONS OF LAW

21. The Commissioner fully incorporates by reference the paragraphs set forth above as though fully set forth herein.

22. The Commissioner has jurisdiction over Respondent and the subject matter of this Order.

23. The products offered by Respondent within the state of Colorado constitute insurance products as defined by § 10-1-102(12), C.R.S.

24. By offering these products, Respondent is transacting insurance business within the state of Colorado as defined by § 10-3-903, C.R.S.

25. Respondent is an insurance company as defined by § 10-1-102(6)(a), C.R.S.

26. Respondent does not hold a certificate of authority in the state of Colorado as required by § 10-3-105, C.R.S.

27. Based on the conduct described herein and above, the Commissioner believes that Respondent is engaging in the business of insurance in violation of the provisions of §§ 10-3-105 or 10-3-903, C.R.S.

28. It further appears to the Commissioner that Respondent's conduct, as described above and herein, is fraudulent, creates an immediate danger to public safety, and/or is causing or can be reasonably expected to cause significant, imminent, and irreparable public injury.

### **ORDER**

29. Based upon the above Findings of Facts and Conclusions of Law, the Commissioner of Insurance **ORDERS** that Respondent **CEASE AND DESIST** from transacting the business of insurance in the State of Colorado, as defined in § 10-3-903, C.R.S., and as specifically described herein. Except that, pursuant to § 10-3-906, C.R.S., the Commissioner of Insurance **ORDERS** that Respondent honor and maintain any and all existing contracts, plans, policies or memberships with Colorado entities and consumers until the Commissioner of Insurance releases such obligation.

30. Based upon the above Findings of Facts and Conclusions of Law, the Commissioner of Insurance **ORDERS** that any and all of Respondent's 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 of Respondent's products in the state of Colorado.

### **OTHER MATTERS**

31. Pursuant to § 10-3-904.6(1), C.R.S., Respondent may contest this Order and request a hearing **within 60 days** of the date of this Order in accordance with § 24-4-105(12), C.R.S. Such request for hearing must be received by the Division on or before the expiration of 60 days from the date of this Order.

32. Pursuant to § 10-3-904.6(5), C.R.S., upon determination of a violation of this Order, the Commissioner may impose a civil penalty of \$25,000.00 for each act in violation and/or direct restitution.

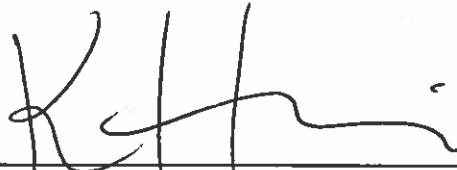
33. This Order contains a total of six (6) pages, including the Certificate of Service.

34. The Commissioner reserves the right to amend this Order to add any individual, entity or company that is directly or indirectly affiliated or associated with the named entity in this Order or has any type of business or contractual relationship with the named entity in this Order that relate to the unauthorized transaction of insurance business based upon evidence acquired through the Division's continuing investigation.

35. This Order is effective immediately upon execution by the Commissioner or his designee.

36. A facsimile or other copy of this Order shall be treated as an original.

Dated this 12 day of August, 2019.

  
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KATE HARRIS  
CHIEF DEPUTY COMMISSIONER  
LIFE & HEALTH POLICY