

LARRY HOGAN  
Governor

BOYD K. RUTHERFORD  
Lt. Governor



AL REDMER, JR.  
Commissioner

JAY COON  
Deputy Commissioner

## INSURANCE ADMINISTRATION

200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202  
Direct Dial: 410-468-2009 Fax: 410-468-2020  
Email: melanie.gross@maryland.gov  
1-800-492-6116 TTY: 1-800-735-2258  
www.insurance.maryland.gov

February 27, 2020

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED  
REGULAR MAIL

Aliera Healthcare, Inc.  
990 Hammond Drive, Suite 700  
Atlanta, GA 30328

Alexander J. Gonzales, P.C.  
Duane Morris, LLP, Las Cimas IV  
900 S. Capital of Texas Highway, Suite 300  
Austin, TX 78746-5435

Re: *Maryland Insurance Administration v. Aliera Healthcare, Inc.*  
Case No.: MIA-2020-02-025

Dear Parties:

The Maryland Insurance Commissioner has entered an Order taking disciplinary action against your company. A copy of the Order is attached and is self-explanatory. This Order is subject to your right to request a hearing as set forth on the last page of the Order.

Please include the above case number on all future correspondence to the administration. **Payment of administrative penalties must also reference the above case number or include a copy of this letter when making payment.**

If you have any questions regarding this Order, you may contact the Associate Commissioner of Compliance & Enforcement at 410-468-2113.

Sincerely,

Melanie Gross  
Executive Assistant to the Deputy Commissioner

Enclosure

cc: Al Redmer, Jr., Commissioner  
Jay Coon, Deputy Commissioner  
Erica J. Bailey, Associate Commissioner  
Philip Pierson, Assistant Attorney General  
Craig Ey, Director of Communications  
Denise Owens, Management Associate



BEFORE THE MARYLAND INSURANCE COMMISSIONER

MARYLAND INSURANCE  
ADMINISTRATION  
200 ST. PAUL PLACE, SUITE 2700  
BALTIMORE, MARYLAND 21202

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\*  
\*

V.

\* CASE NO.: MIA-2020-02-025

ALIERA HEALTHCARE, INC.  
License No. 3000134860  
990 Hammond Drive, Ste. 700  
Atlanta, GA 30328

\*  
\* INVESTIGATION NO. MCLH-25-2019-I

\* \* \* \* \*

**ORDER**

This Order is entered by the Maryland Insurance Administration (“the Administration”) against Alieria Healthcare, Inc. (“Alieria” or “Respondent”). The purpose of the Order is to enforce Md. Code Ann., Insurance §§ 4-101, 4-203, 4-205 and 10-126. As the basis for this action, the Maryland Insurance Administration (“Administration”) states:

**I. Facts**

1. Respondent is a corporation with a principal place of business in Georgia. Respondent’s mailing address is alternately listed as:

(a) 5901 Peachtree Dunwoody Road, Building B, Suite 200, Atlanta, GA 30328;

(b) P.O. Box 28220, Atlanta, GA 30358; and

(c) 990 Hammond Drive, Ste. 700, Atlanta, GA 30328.

2. Throughout the period of the investigation described below, Respondent has been licensed by the Commissioner to operate in Maryland as a business entity insurance producer.

3. On November 29, 2016, the Commissioner began an investigation into the activities of the Respondent. This investigation continued into 2017.

4. On October 2, 2017, the Commissioner issued an Order (“the Initial Order”) detailing the findings of the investigation and holding the Respondent in violation of §§ 4-101, 4-203 and 4-205 of the Insurance Article.

5. The Respondent requested a hearing to contest the Initial Order.

6. On April 30, 2018, the parties executed a Consent Order (“the Consent Order”), which found that the “health sharing ministry” operated and sold by Respondent was not a “voluntary noncontractual religious publication arrangement” and was not exempt from the application of the Insurance Article.

7. The Consent Order further stated that “Respondent is directed to provide a written affirmation of its compliance with the terms of this Consent Order no later than February 1, 2019.”

8. The Consent Order further stated that “[e]ffective January 1, 2019, Respondent is to permanently cease the sale, solicitation or operation in Maryland of the Unity Healthshare Ministry plan and any other plan that is not excluded from the application of the Insurance Article by § 1-202, and thereby constitutes health insurance under the terms of § 1-101 (p), and that is operated without a valid certificate of authority.”

9. Respondent failed to provide the written affirmation required by the Consent Order by February 1, 2019.

10. On June 7, 2019, counsel for the Administration contacted counsel for Respondent to inquire as to Respondent’s failure to submit this required written affirmation.

11. On June 13, 2019, Respondent admitted that it had failed to file the written affirmation as it had agreed to do in the Consent Order.

12. Also on June 13, 2019, Respondent belatedly filed the required written affirmation.

13. This belatedly-filed written affirmation stated that “Alieria has not sold, solicited or been in operation in the State of Maryland under the Unity Healthshare Ministry plan or any other plan that is not excluded from the application of the Insurance Article by § 1-202 since January 1, 2019.”

14. On or about March 28, 2019, in conjunction with follow-up investigations into Alieria’s conduct, an Administration investigator entered her name, email address, and ZIP code into the online portal of Alieria’s website.

15. Shortly after entering this information, this investigator was contacted, via email, by a sales representative from Alieria. The email and its attachments solicited the purchase of a membership in a program designated as “Alieria’s PrimaCare program in conjunction [sic] with Trinity HealthShare, Inc.”

16. The sales documents attached to the email touted the benefits offered by the PrimaCare program, included a schedule of premium rates charged, provided a list of medical services covered, and urged the recipient to sign up for a membership in the Program.

17. The sales documents further described Trinity HealthShare, Inc. as “a religious organization” and a “health care sharing ministry.” The documents further stated that “Our role is to enable self-pay patients to help fellow Americans through voluntary financial gifts.”

18. The documents further contained a reference to “Maryland Article 48, Section 1-202(4).”

19. The sales documents contained the logos of Alieria healthcare and Trinity Healthshare. The email to the Administration’s investigator was sent from the email address “ssummers@alierahealthcare.com” and contained the Alieria Healthcare logo.

## **II. Violations**

20. The Administration considers the following provisions of the Insurance Article relevant to this matter:

**Section 1-101(s)** provides, in relevant part, as follows:

(j) "Certificate of authority" means a certificate issued by the Commissioner to engage in the insurance business.

...

(s) Except as expressly provided otherwise in this article, "insurance" means a contract to indemnify or to pay or provide a specified or determinable amount or benefit on the occurrence of a determinable contingency.

...

(p)(1) "Health insurance" means insurance of human beings against:

- (i) bodily injury, disablement, or death by accident or accidental means, or the expenses of bodily injury, disablement, or death by accident or accidental means;
- (ii) disablement or expenses resulting from sickness or childbirth; and
- (iii) expenses incurred in prevention of sickness or dental care.

...

(t)(1) "Insurance business" includes the transaction of:

- (i) all matters pertaining to an insurance contract, either before or after it takes effect; and
- (ii) all matters arising from an insurance contract or a claim under it.

...

(u)(1) "Insurance producer" means a person that, for compensation, sells, solicits, or negotiates insurance contracts, including contracts for nonprofit health service plans, dental plan organizations, and health maintenance organizations, or the renewal or continuance of these insurance contracts for:

- (i) persons issuing the insurance contracts; or
- (ii) insureds or prospective insureds other than the insurance producer.

...

(l) "Solicit" means to attempt to sell insurance or to ask or urge a person to apply for a particular kind of insurance from a particular insurer.

**Section 1-201** provides, in relevant part, as follows:

A person that engages in or transacts insurance business in the State, or performs an act relative to a subject of insurance resident, located, or to be performed in the State, shall comply with each applicable provision of this article.

**Section 1-202(a)(4)** provides, in relevant part, as follows:

(a) This article does not apply to:

...

(4) a voluntary noncontractual religious publication arrangement that:

...

- (ii) publishes a newsletter whose subscribers are limited to members of the same denomination or religion;
- (iii) acts as an organizational clearinghouse for information between subscribers who have medical costs and subscribers who choose to assist with those costs;

- (iv) matches subscribers with a willingness to pay and subscribers with present medical costs;
- (v) coordinates payments directly from one subscriber to another;
- (vi) suggests amounts to give that are voluntary among the subscribers, with no assumption of risk or promise to pay either among the subscribers or between the subscribers and the organization;
- (vii) does not use a compensated insurance producer, representative, or other person to solicit or enroll subscribers;
- ...
- (x) does not use funds paid by subscribers for medical costs to cover administrative costs[.]

**Section 4-101(a)** provides, in relevant part, as follows:

(a)(1) Except as otherwise provided in this article, a person may not act as an insurer and an insurer may not engage in the insurance business in the State unless the person has a certificate of authority issued by the Commissioner.

**Section 4-203(b)** provides, in relevant part, as follows:

- (b) With respect to a subject of insurance resident, located, or to be performed in the State, a person may not in the State directly or indirectly act as an insurance producer for, or otherwise represent or help on behalf of another, an unauthorized insurer to:
- (1) solicit, negotiate, or effect insurance or an annuity contract;
  - (2) inspect risks;
  - (3) fix rates;
  - (4) investigate or adjust losses;
  - (5) collect premiums; or
  - (6) transact insurance business in any other manner.

**Section 4-205(b) and (c)** provide, in relevant part, as follows:

(b) An insurer or other person may not, directly or indirectly, do any of the acts of an insurance business set forth in subsection (c) of this section, except as provided by and in accordance with the specific authorization of statute.

(c) Any of the following acts in the State, effected by mail or otherwise, is considered to be doing an insurance business in the State:

- (1) making or proposing to make, as an insurer, an insurance contract;
- ...
- (6) except as provided in subsection (d) of this section, with respect to a subject of insurance resident, located, or to be performed in the State, directly or indirectly acting as an insurance producer for, or otherwise representing or helping on behalf of another, an insurer or other person to:
  - (i) solicit, negotiate, procure, or effect insurance or the renewal of insurance;
  - (ii) disseminate information about coverage or rates;
  - (iii) forward an application;

...

- (ix) in any other manner represent or help an insurer or other person to transact insurance business;
- (7) doing any kind of insurance business specifically recognized as doing an insurance business under statutes relating to insurance;
- (8) doing or proposing to do any insurance business that is substantially equivalent to any act listed in this subsection in a manner designed to evade the statutes relating to insurance.

**Section 4-212** provides as follows:

An unauthorized insurer or person that violates this subtitle is subject to a civil penalty of not less than \$100 but not exceeding \$50,000 for each violation.

**Section 10-126(a)** provides, in relevant part as follows:

(a) The Commissioner may deny a license to an applicant under §§ 2-210 through 2-214 of this article, or suspend, revoke, or refuse to renew or reinstate a license after notice and opportunity for hearing under §§ 2-210 through 2-214 of this article if the applicant or holder of the license:

(1) has willfully violated this article or another law of the State that relates to insurance;

...

(13) has otherwise shown a lack of trustworthiness or competence to act as an insurance producer.

21. By failing to comply with the Consent Order to which it agreed in 2018, which required the submission of a written affirmation of compliance no later than February 1, 2019, Respondent violated § 10-126(a)(13).

22. By soliciting the sale of memberships in the PrimaCare program in the state of Maryland, despite that program's lack of eligibility for § 1-202(a)(4) or any other exemption from the Insurance Article, Respondent violated §§ 4-203, 4-205(b), and 10-126(a)(1) and (13).

23. By submitting a written affirmation in June, 2019, which stated "Alieria has not sold, solicited or been in operation in the State of Maryland under the Unity Healthshare Ministry plan or any other plan that is not excluded from the application of the Insurance Article by § 1-202 since

January 1, 2019,” despite having solicited the sale of PrimaCare memberships in the state of Maryland in 2019, Respondent violated § 10-126(a)(13).

### III. Sanctions

24. By the facts and violations stated above, Respondent’s license to act as an insurance producer in the State of Maryland is subject to suspension or revocation, and/or the imposition of an administrative penalty, and/or a requirement to pay restitution.

25. In view of the gravity of the violations and considering that insurance producers are in a position of trust and responsibility, revocation and an administrative penalty are the appropriate disciplinary actions in this case. The Respondent’s failure to comply with the terms of the 2018 Consent Order and its continued solicitation of memberships in an unauthorized insurance plan demonstrates that it does not meet the standard of trustworthiness and competence required of an insurance producer.

26. Administrative penalties shall be made payable to the Maryland Insurance Administration and shall identify the case by number or name. Unpaid penalties will be referred to the Central Collection Unit for collections. Payment of the administrative penalty shall be sent to the attention of: Erica J. Bailey, Associate Commissioner, Compliance and Enforcement, Maryland Insurance Administration, 200 St. Paul Place, Suite 2700, Baltimore, MD 21202.

27. This Order does not preclude any potential or pending action by the Insurance Fraud Division of the Administration or prosecution by any other person, entity or governmental authority, regarding any conduct by Respondent including the conduct that is the subject of this Order.

28. This is a reportable administrative proceeding. As such, it is a public record. The Administration construes this as an adverse administrative action. As a result, the Respondent may

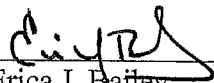


be required to disclose this Order on any license application, and may be required to report this action to any state in which Respondent currently holds an insurance license.

**WHEREFORE**, for the reasons set forth above, and subject to Respondent's right to request a hearing, it is this 27<sup>th</sup> day of January, 2020, ORDERED that:

- A. The insurance producer license of Respondent Alera HealthCare, Inc. is REVOKED.
- B. Respondent shall pay an administrative penalty of \$11,000 (Eleven Thousand Dollars).
- C. If any Maryland residents were sold a membership in any Healthshare program sold or operated by Respondent after January 1, 2019, Respondent shall provide to the Administration, within 30 days of the date of this Order, a list of all such Maryland residents. The list shall include the names of the Maryland residents and the date enrolled.
- D. If any Maryland residents were sold a membership any Healthshare plan or program sold or operated by Respondent after January 1, 2019, Respondent shall provide written notice to all such Maryland-resident members indicating that Healthshare plan will no longer be operational. This notice shall include the return of all monies received from such Maryland-resident members that paid a contribution to any of the Healthshare plans on or after January 1, 2019.

ALFRED W. REDMER, JR.  
INSURANCE COMMISSIONER

By:   
Erica J. Baitey  
Associate Commissioner  
Compliance & Enforcement

Date: 2/27/2020

### **RIGHT TO REQUEST A HEARING**

Pursuant to § 2-210 of the Insurance Article and Code of Maryland Regulations (“COMAR”) 31.02.01.03, an aggrieved person may request a hearing on this Order. This request must be in writing and received by the Commissioner within thirty (30) days of the date of the letter accompanying this Order. However, pursuant to § 2-212 of the Article, the Order shall be stayed pending a hearing only if a demand for hearing is received by the Commissioner within ten (10) days after the Order is served. The request shall include the following information:

- (1) the action or non-action of the Commissioner causing the person requesting the hearing to be aggrieved;
- (2) the facts related to the incident or incidents about which the person requests the Commissioner to act or not act; and
- (3) the ultimate relief requested.

The failure to request a hearing timely or to appear at a scheduled hearing will result in a waiver of your rights to contest this Order and the Order shall be final on its effective date. Please note that if a hearing is requested on this initial Order, the Commissioner may affirm, modify, or nullify an action taken or impose any penalty or remedy authorized by the Insurance Article against Respondent in a Final Order after hearing.

The written request for hearing must be addressed to the Maryland Insurance Administration, 200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202, Attn: Melanie Gross, Executive Assistant to the Deputy Commissioner.