

BEFORE THE IOWA INSURANCE COMMISSIONER

THE ALIERA COMPANIES, INC.,

Division Case No. 105205

JESSICA JOY BUDDINGTON,
NPN 17590664

**ORDER AND CONSENT
TO ORDER**

ALIERA HEALTHCARE, INC.,
NPN 18501490

ENSURIAN AGENCY, LLC,
NPN 17850081,

USA BENEFITS & ADMINISTRATORS,
LLC,

ADVEVO, LLC, and

TACTIC EDGE SOLUTIONS, LLC,

Respondents.

NOW THEREFORE, upon motion of the Iowa Insurance Division (“Division”) and by the consent of The Alieria Companies, Inc., Jessica Joy Buddington, Alieria Healthcare, Inc., Ensurian Agency, LLC, USA Benefits & Administrators, LLC, Advevo, LLC, and Tactic Edge Solutions LLC’s (collectively referred to herein as “Respondents”), the Commissioner enters the following Order and Consent to Order (“Consent Order”):

I. PARTIES AND JURISDICTION

1. The Commissioner of Insurance, Douglas M. Ommen, directly and through his designees, administers and enforces Iowa Code chapter 507B—Insurance Trade Practices, Iowa Code chapter 522B—Licensing of Insurance Producers, and Iowa Administrative Code chapter 15— Unfair Trade Practices pursuant to Iowa Code § 505.8.

2. The Alieria Companies, Inc. (hereinafter "Alieria") is a foreign corporation organized under the laws of Delaware. Alieria has a last-known address of 990 Hammond Drive, Suite 700, Atlanta, GA 30328.

3. Alieria Healthcare, Inc. (hereinafter "Alieria Healthcare") was a business entity domiciled in Georgia with a last-known address of 990 Hammond Drive, Ste 700, Atlanta, GA 30328. Alieria Healthcare was renamed "The Alieria Companies" in June 2019.

4. Alieria Healthcare became an Iowa non-resident licensed business entity producer on August 16, 2017. Alieria Healthcare's Iowa license was terminated on March 19, 2020, for failing to renew their resident license in the state of Georgia. Alieria Healthcare has not updated its licensing information or sought new licensure under its new name, "The Alieria Companies."

5. The designated responsible licensed producer for Alieria Healthcare was Jessica Joy Buddington. The Division issued Jessica Joy Buddington a nonresident producer license on August 1, 2018. She is licensed under NPN 17590664.

6. Ensurian Agency, LLC (hereinafter "Ensurian") is a business entity domiciled in Delaware and is a corporate subsidiary of Alieria with a last reported address of 913 N. Market Street, Suite 200, Wilmington, DE 19801. Recent documents received by the Division indicate an address of 990 Hammond Drive, Suite 700, Atlanta, GA 30328.

7. Ensurian previously applied for and was issued a business entity producer license in the state of Iowa on October 14, 2019. Ensurian's Iowa nonresident producer license was terminated on February 19, 2020, when the Division discovered that Ensurian did not have a resident insurance producer license. Ensurian was previously assigned NPN 17850081.

8. USA Benefits & Administrators, LLC (hereinafter "USA Benefits") is a foreign limited liability company originally incorporated under the laws of New Mexico and is a corporate

subsidiary of Alieria. USA Benefits has a last-known address of 5 Brisbee Court, Ste 109-47, Santa Fe, NM 87508.

9. Tactic Edge Solutions, LLC (hereinafter “Tactic Edge”) is a foreign limited liability company incorporated under the laws of Delaware and is a corporate subsidiary of Alieria. Tactic Edge has a last-known address of 990 Hammond Drive, Suite 700, Atlanta, GA 30328.

10. Advevo, LLC (hereinafter “Advevo”) is a foreign limited liability company organized under the laws of Delaware and is a corporate subsidiary of Alieria with a last-known address of 990 Hammond Drive, Suite 700, Atlanta, GA 30328.

11. Respondents have consented to the jurisdiction of the Commissioner of Insurance by consenting to this Consent Order.

II. BACKGROUND

12. On July 7, 2020, the Division filed a Statement of Charges against Trinity Healthshare, Inc. (“Trinity”) and Respondents. The Division alleged that from on or about January 2018 to present, Respondents engaged in acts and practices within the state of Iowa constituting cause for cease and desist orders; restitution; and civil penalties or other relief under Iowa Code chapters 505, 507A, 507B, and rules adopted pursuant to these chapters.

13. Respondents deny that any of their acts and practices constitute violations of Iowa insurance laws. However, in view of the complex issues raised and the probability that long-term litigation or administrative proceedings would be required to resolve these disputes, Respondents knowingly and willingly enter into this Consent Order to resolve this matter.

III. FINDINGS OF FACT

14. Alera is a “holding” company managing various subsidiaries that handle different aspects of non-insurance products and programs. Its subsidiaries include USA Benefits, Ensurian, Advevo, and Tactic Edge.

15. Alera, USA Benefits, Ensurian, Advevo, Tactic Edge, and Trinity, do not have insurance producer licenses and are not otherwise registered as third-party administrators or business entity producers in the state of Iowa.

16. Trinity is a foreign corporation organized under the laws of Delaware. Trinity is not a licensed business entity insurance producer in the state of Iowa. Trinity was incorporated in Delaware on June 27, 2018. Trinity has a last-known address of 5901 Peachtree Dunwoody Road, Suite C-160, Atlanta, GA 30328. Trinity is registered as a non-profit organization pursuant to 26 U.S.C. §501(c)(3) for the purported purpose of operating as a health care sharing ministry (“HCSM”).

17. Beginning August 13, 2018, Trinity and Alera were engaged in a contract to market and administer Trinity’s HCSM. Initially, Alera had the exclusive rights to market and sell the HCSM plans to its existing and prospective members. The contract between Alera and Trinity was amended significantly in 2021 to remove the exclusivity provisions.

18. At least 334 Iowans enrolled in the Trinity HCSM. Approximately 207 of the 334 Iowa consumers were enrolled in AleraCare, which included direct primary care.

19. Tactic Edge, Advevo, USA Benefits, and Ensurian are the only subsidiaries held by Alera. Ensurian was incorporated in August or September 2019. Advevo was incorporated in May 2019. Tactic Edge was incorporated in May 2019. USA Benefits was incorporated in

December 2019. All four of the subsidiaries were created for the purpose of taking over the duties of Alera Healthcare upon the execution of the new contracts with Trinity on January 1, 2020.

20. The Department alleges that Trinity HCSM does not meet the requirements of a HCSM exempt from regulation under Iowa Code § 505.22.

IV. CONCLUSIONS OF LAW

COUNT ONE

Unauthorized Sale of Insurance Products

21. Under Iowa Code §507A.3 an “insurer” includes all “corporations, associations, partnerships, and individuals engaged in the business of insurance.”

22. Under Iowa Code §507A.5 a person is prohibited from “directly or indirectly performing any of the acts of doing an insurance business” without authorization.

23. Under Iowa Code §507A.3 doing an insurance business is any of the following:

- a. The making of or proposing to make, as an insurer, an insurance contract;
- b. The taking or receiving of any application for insurance;
- c. The receiving or collection of any premiums, membership fees, assessments, dues or other considerations for any insurance;
- d. The issuance or delivery of contracts of insurance to residents of this state or to corporations or persons authorized to do business in this state;
- e. The doing of any kind of insurance business specifically recognized as constituting the doing of an insurance business within the meaning of the statutes relating to insurance;
- f. The doing or proposing to do any insurance business in substance equivalent to any of the foregoing in a manner designed to evade the provisions of the insurance laws of this state; or

g. Any other transactions of business relating directly to insurance in this state by an insurer.

24. Respondents' acts and practices are in violation of Iowa Code §507A.3 subjecting Respondents to the imposition of civil penalties, an order requiring Respondents to cease and desist from engaging in such acts or practices, restitution, and any other corrective action the Commissioner deems necessary and appropriate pursuant to Iowa Code §507A.10.

COUNT TWO
Acting as an Unregistered Third-Party Administrator

25. Pursuant to Iowa Code §510.11(2), a third-party administrator is a person "who collects charges or premiums from or who adjusts or settles claims on, residents of this state in connection with life or health insurance coverage or annuities [...]."

26. Under Iowa Code §510.21, "A person shall not act as or represent oneself to be a third-party administrator in this state, other than an adjuster licensed in this state for the kinds of business for which the person is acting as a third-party administrator, unless the person holds a current certificate of registration as a third-party administrator issued by the commissioner of insurance."

27. Failure to hold a certificate subjects the third-party administrator to the sanctions set out in section 507B.7.

28. Alieria, Alieria Healthcare, and USA Benefits have acted as third-party administrators for Trinity's health products.

29. Despite acting as such, Alieria, Alieria Healthcare, and USA Benefits are not registered third-party administrators in the state of Iowa.

30. Alieria, Alieria Healthcare, and USA Benefits' acts and practices have been in violation of Iowa Code §510.21, subjecting Alieria Healthcare to suspension or revocation of Alieria

Healthcare's insurance producer license, to the imposition of a civil penalty, an order requiring Alera, Alera Healthcare, and USA Benefits to cease and desist from engaging in such acts or practices, the imposition of costs of the investigation and prosecution of the matter, and any other corrective action the Commissioner deems necessary and appropriate pursuant to Iowa Code §§ 505.8 and 507B.7.

V. ORDER

WHEREFORE, IT IS ORDERED, by agreement of Respondents and the Division and pursuant to the powers granted to the Commissioner of Insurance by Iowa Code chapters 505, 507A, and 507B:

- A. Respondents, and any and all of Respondents' agents, affiliates, employees, contractors, authorized representatives, and successors in interest, will immediately cease and desist marketing, selling, and offering Trinity HCSM programs to new members in the state of Iowa and will immediately cease and desist enrolling Iowa residents in Trinity HCSM programs;
- B. Respondents, on behalf of Trinity, will continue to service and facilitate sharing among Iowa members of Trinity's HCSM programs until June 30, 2021.
Respondents, on behalf of Trinity, will continue to process sharing requests from current members for services rendered prior to June 30, 2021, unless a Trinity member cancels their membership prior to that date. In the event the member cancels on a date prior to June 30, 2021, share requests will be processed up to the date of cancellation;
- C. Upon Trinity's request, Respondents will provide Trinity with certain information in order for Trinity to provide a report to the Division every other month with the final

report due August 20, 2021. The requested information and reports to the Division will include the following information:

- i. Contributions collected from Iowa resident members;
- ii. Amounts shared with Iowa resident members;
- iii. Sharing request denial (partial and whole) information for Iowa resident members including member name, date of service, total charge, denied amount, total payment made by Trinity or its contracted parties; and basis for denial.

D. In lieu of revocation, Respondent Jessica Buddington has voluntarily surrendered her Iowa non-resident license as of June 16, 2021;

E. Alera agrees to cooperate with the Department to resolve in good faith and in an expedited manner any consumer complaints filed by Trinity's Iowa members and, in such respect, will provide the Department with the contact information of the individuals within their organizations with the authority to address and resolve directly and in a reasonable time such complaints;

F. Unless and until properly licensed, Respondents, and Respondents' officers, agents, employees, and successor entities, are prohibited from administering, advertising, marketing, promoting, offering, selling, servicing, or assisting in the administering, advertising, marketing, promoting, offering, selling, or servicing of any insurance product or healthcare-related product in the state of Iowa. Respondents, and Respondents' officers, agents, employees, and successor entities shall not apply for a license for five years from the date of this order. "Healthcare-related product" means any program, plan, membership, card, product, HCSM membership or plan, or other

good or service that offers, or purports to offer, insurance, discounts, savings, or benefits on healthcare expenses, or access to such insurance, discounts, savings, or benefits;

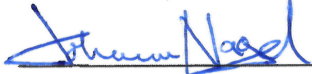
- G. Respondents collectively will, contemporaneously with the entry of this Consent Order, pay \$50,000.00 made payable to the Iowa Insurance Division. This amount will to be credited to the Iowa Settlement Fund and distributed to past and current members of the Trinity HCSM programs who elect to participate. If a member does not elect to participate, the allocated sum will be distributed amongst participating members; and
- H. Respondents collectively will, contemporaneously with the entry of this Consent Order, pay the amount of \$10,000.00 for costs of investigation and prosecution pursuant to Iowa Code § 505.8. Payment shall be made payable to the Iowa Insurance Division, to be credited to the Iowa Enforcement Fund to provide funds for insurance enforcement and education.
- I. These orders may be enforced under Iowa Code chapters 507A and 507B including but not limited to Iowa Code §507B.8, and additionally, by any collection remedies available to the State of Iowa Department of Revenue for unpaid ordered monetary amounts.

SO ORDERED on this 12th day of July, 2021.



DOUGLAS M. OMMEN
Iowa Insurance Commissioner

Respectfully submitted,



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Attorneys for the Iowa Insurance Division

Copies by email to:
Randy Armentrout, Katie Graham, Nicolette Zulli, Corey Weideman

Attorneys for Respondents

CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing instrument was served upon all parties to the above cause, or their attorney, at their respective addresses disclosed on the pleadings on July 12, 2021.

By: First Class Mail Personal Service
 Restricted certified mail, return receipt Email, by consent
 Certified mail, return receipt _____

Signature: /s/ Hilary Foster
Hilary Foster

NOTICE OF PENALTIES FOR WILLFUL VIOLATION OF THIS ORDER

YOU ARE NOTIFIED that acting as an insurance producer, as defined in Iowa Code chapter 522B, or as an insurer, as defined in Iowa Code chapter 507A, in violation of this Order, is a felony under Iowa Code § 507A.10, subjecting you to punishment of imprisonment, jail, fines, or any combination of custody and fines.

YOU ARE NOTIFIED that if you violate this Order, you may be subject to administrative and civil penalties pursuant to Iowa Code § 507B. The Commissioner may petition the district court to hold a hearing to enforce the order as certified by the Commissioner. The district court may assess a civil penalty against you in an amount not less than three thousand dollars but not greater than ten thousand dollars for each violation, and may issue further orders as it deems appropriate.

NOTICE OF FINAL ORDER IMPACT

A final order of license probation, suspension, or revocation or a cease and desist order may adversely affect other existing business or professional licenses and may result in license revocation or disciplinary action.

A final order in an administrative action does not resolve any potential criminal or civil violations or causes of action that might arise from the same or similar conduct that is the subject of this order. It may result in criminal law enforcement authorities, including the fraud bureau of the Iowa Insurance Division, pursuing a criminal investigation or prosecution of potential criminal law violations.

CONSENT TO ORDER AND AGREEMENT

I, J. Steele, as authorized agent for Respondents The Alera Companies, Inc. and Alera Healthcare, Inc. in this matter, have read, understood, and do knowingly consent to this Order in its entirety. By executing this Consent, Respondents understand that they are waiving its right to a hearing, to confront and cross-examine witnesses, to produce evidence, and to judicial review.

Respondents further understand this Order is considered a final administrative action that will be reported by the Division to the National Association of Insurance Commissioners and to other regulatory agencies. Respondents also understand this Order is a public record under Iowa Code chapter 22 and information may be shared with other regulatory authorities or governmental agencies, pursuant to Iowa Code § 505.8(8)(d). Respondents also understand this Order will be posted to the Division's website and a notation will be made to the publicly available website record that administrative action has been taken against it.

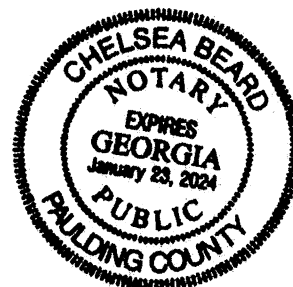
Dated: 23 June 2021

[Signature]
The Alera Companies, Inc. f/k/a
Alera Healthcare Inc., Respondents
By: J. Steele
Title: CEO

Corporate Address
990 Hammond Dr Apt 30328
Address of Signatory

Subscribed and sworn before me by S. Steele on this 23 day of June, 2021

Chelsea Beard
Notary Public for the State of Georgia



CONSENT TO ORDER AND AGREEMENT

I, J. Steele, as authorized agent for Respondent Ensurian Agency, LLC in this matter, have read, understood, and do knowingly consent to this Order in its entirety. By executing this Consent, Ensurian understands that it is waiving its right to a hearing, to confront and cross-examine witnesses, to produce evidence, and to judicial review.

Ensurian further understands this Order is considered a final administrative action that will be reported by the Division to the National Association of Insurance Commissioners and to other regulatory agencies. Ensurian also understands this Order is a public record under Iowa Code chapter 22 and information may be shared with other regulatory authorities or governmental agencies, pursuant to Iowa Code § 505.8(8)(d). Ensurian also understands this Order will be posted to the Division's website and a notation will be made to the publicly available website record that administrative action has been taken against it.

Dated: 23 June 2021

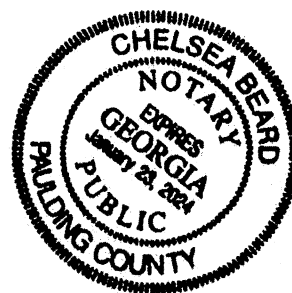
[Signature]
Ensurian Agency, LLC
Respondent
By: J. Steele, MANAGER
Title: CEO/TAC

PARENT CORPORATE ADDRESS
990 Hammond Dr ATL 30328
Address of Signatory

ENSURIAN AGENCY, LLC
913 N. MARKET STREET 525
WILMINGTON, DE 19801

Subscribed and sworn before me by J. Steele on this 23 day of June, 2021

Chelsea Beard
Notary Public for the State of Georgia



CONSENT TO ORDER AND AGREEMENT

I, J STEEL, as authorized agent for Respondent USA Benefits and Administrators, LLC in this matter, have read, understood, and do knowingly consent to this Order in its entirety. By executing this Consent, USA Benefits understands that it is waiving its right to a hearing, to confront and cross-examine witnesses, to produce evidence, and to judicial review.

USA Benefits further understands this Order is considered a final administrative action that will be reported by the Division to the National Association of Insurance Commissioners and to other regulatory agencies. USA Benefits also understands this Order is a public record under Iowa Code chapter 22 and information may be shared with other regulatory authorities or governmental agencies, pursuant to Iowa Code § 505.8(8)(d). USA Benefits also understands this Order will be posted to the Division's website and a notation will be made to the publicly available website record that administrative action has been taken against it.

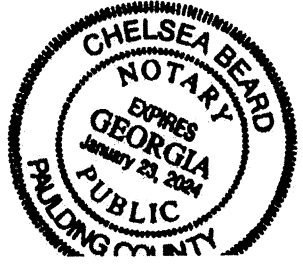
Dated: 23 June 2021

[Signature]
USA Benefits and Administrators, LLC
Respondent
By J STEEL, MANAGER
Title: CEO/TAC

PARENTS CORPORATE ADDRESS
99 Hammond Dr ATL 30328
Address of Signatory
USA BENEFITS ADMIN LLC
5 BRISBEE CT 31094
SANTA FE, NM 87508

Subscribed and sworn before me by S.Steele on this 23 day of June, 2021

Chelsea Beard
Notary Public for the State of Georgia



CONSENT TO ORDER AND AGREEMENT

I, J. Steele, as authorized agent for Respondent Tactic Edge Solutions, LLC in this matter, have read, understood, and do knowingly consent to this Order in its entirety. By executing this Consent, Tactic Edge understands that it is waiving its right to a hearing, to confront and cross-examine witnesses, to produce evidence, and to judicial review.

Tactic Edge further understands this Order is considered a final administrative action that will be reported by the Division to the National Association of Insurance Commissioners and to other regulatory agencies. Tactic Edge also understands this Order is a public record under Iowa Code chapter 22 and information may be shared with other regulatory authorities or governmental agencies, pursuant to Iowa Code § 505.8(8)(d). Tactic Edge also understands this Order will be posted to the Division's website and a notation will be made to the publicly available website record that administrative action has been taken against it.

Dated: 23 June 2021

[Signature]
Tactic Edge Solutions, LLC
Respondent
By: J. Steele, MANAGER
Title: CEO/TAC

CORPORATE PARENT ADDRESS
990 Hammond Dr ATE 30328
Address of Signatory
TACTIC EDGE SOLUTIONS LLC
990 Hammond Dr
ATE 30328

Subscribed and sworn before me by S Steele on this 23 day of June, 2021

Chelsea Beard
Notary Public for the State of Georgia



CONSENT TO ORDER AND AGREEMENT

I, S Steele, as authorized agent for Respondent Advevo, LLC in this matter, have read, understood, and do knowingly consent to this Order in its entirety. By executing this Consent, Advevo understands that it is waiving its right to a hearing, to confront and cross-examine witnesses, to produce evidence, and to judicial review.

Advevo further understands this Order is considered a final administrative action that will be reported by the Division to the National Association of Insurance Commissioners and to other regulatory agencies. Advevo also understands this Order is a public record under Iowa Code chapter 22 and information may be shared with other regulatory authorities or governmental agencies, pursuant to Iowa Code § 505.8(8)(d). Advevo also understands this Order will be posted to the Division's website and a notation will be made to the publicly available website record that administrative action has been taken against it.

Dated: 23 June 2021

[Signature]
Advevo, LLC
Respondent
By S Steele, MANAGER
Title: CEO/TAC

PARENT CORPORATE ADDRESS
990 Hammond Dr ATC 30328
Address of Signatory
ADVEVO LLC
490 Hammond Dr ATC 30328

Subscribed and sworn before me by S. Steele on this 23 day of June, 2021

Chelsea B
Notary Public for the State of Georgia

