

No. 2022-7308

**Official Order
of the
Texas Commissioner of Insurance**

Date: 04/26/2022

Subjects Considered:

Triada Assurance Holdings, LLC dba Salvasen Health
Salvasen Health Holdings, LLC
Salvasen United Association, Inc. dba Salvasen Health
"Salvasen Health"

[REDACTED]
Houston, Texas 77064-3582

Barry Jay Glenn

[REDACTED]
Houston, Texas 77079-1243

Consent Order
TDI Enforcement File Nos. 28353, 29562, 29591, 29592, and 29593

General remarks and official action taken:

This is a consent order with Triada Assurance Holdings, LLC dba Salvasen Health, Salvasen Health Holdings, LLC, Salvasen United Association, Inc. dba Salvasen Health, and "Salvasen Health," which includes all entities that operated under the common or assumed name, did business as, or underwrote health plans as "Salvasen Health" (collectively, Salvasen) and Barry Jay Glenn (Glenn) (collectively, Respondents). Respondents have engaged in acts constituting the business of insurance without a license or other authorization. Respondents have agreed to cease and desist from engaging in the unauthorized business of insurance and to comply with the terms contained in this order.

2022-7308

Commissioner's Order

Triada Assurance Holdings, LLC dba Salvasen Health, et al.

Page 2 of 9

Waiver

Respondents acknowledge that the Texas Insurance Code and other applicable law provide certain rights. Respondents waive all of these rights and any other applicable procedural rights in consideration of the entry of this consent order.

Findings of Fact

Background

1. Salvasen is located in Houston, Texas and purported to be a health insurance company operating nationwide. Salvasen holds no license or other authorization issued by TDI.
2. Glenn is the founder, owner, and CEO of Salvasen. Glenn does not currently hold an active Texas insurance license. Glenn previously held a general lines agent license issued by TDI in 2006. TDI records show that this license expired in August 2018.

Unauthorized Business of Insurance

3. Texas law seeks to protect Texas consumers from unauthorized insurance schemes: "It is the policy of this state to protect residents against acts by a person or insurer who is not authorized to do insurance business" in Texas. TEX. INS. CODE § 101.001(b).
4. Texas law also seeks to protect consumers in other states by establishing that Texas will not be a safe harbor for persons or insurers engaged in the unauthorized business of insurance in Texas, regardless of whether the insureds or other persons affected by the unauthorized business of insurance are residents of Texas. TEX. INS. CODE § 101.001(d).
5. Persons that engage in the "business of insurance" in Texas are subject to the jurisdiction of Texas courts and the Texas Commissioner of Insurance. TEX. INS. CODE §§ 101.001(c) and 101.051.
6. Texas law provides that "[a] person who in any manner assisted directly or indirectly in the procurement, processing, administration, claims handling, adjusting, or claims payment of the contract, agreement, or arrangement is liable

2022-7308

Commissioner's Order

Triada Assurance Holdings, LLC dba Salvasen Health, et al.

Page 3 of 9

to the insured for the full amount of a claim or loss under the terms of the contract, agreement, or arrangement if the unauthorized insurer or person fails to pay the claim or loss." TEX. INS. CODE § 101.201.

Unauthorized Conduct

7. Salvasen is not licensed to engage in the business of insurance in Texas or any other jurisdiction but has marketed its health insurance products nationwide.
8. According to Salvasen, beginning in mid-2020 through at least May 31, 2021, Salvasen solicited and sold health insurance policies and certificates of coverage to approximately 65,000 consumers nationwide. Salvasen represents that it voluntarily ceased the writing of new business on May 31, 2021.
9. Salvasen's plans were marketed and sold as insurance, although at the time, Salvasen maintained that the plans were not subject to TDI or other state insurance regulation.
10. Glenn engaged in the solicitation, sale, and administration of Salvasen's unauthorized insurance business.
11. TDI and other state insurance regulators received numerous consumer complaints about Salvasen's plans. Salvasen's plans often were labeled as "MEC" plans, or "Minimum Essential Coverage" plans, as required under the federal Affordable Care Act (ACA). Limited benefit plans like those sold by Salvasen, however, are not MEC plans.
12. Additionally, consumers complained that, based on Salvasen's representations, the benefits they thought were covered by Salvasen's plans were not actually covered in the plan documents.
13. In June 2021, Salvasen self-reported compliance issues to state insurance regulators.
14. In late 2021, Salvasen disclosed to state insurance regulators that it had almost 39,000 active policyholders paying \$23.9 million in premiums during 2021.
15. TDI and other state regulators investigated Salvasen's operations and demanded that Respondents cease operating an unauthorized insurance plan.

2022-7308

Commissioner's Order

Triada Assurance Holdings, LLC dba Salvasen Health, et al.

Page 4 of 9

16. In accordance with Salvasen's stated intentions and in concert with these demands, Salvasen represents that it terminated all plans as of March 31, 2022, and agrees to the wind-down plan described in this order.
17. TDI sent Salvasen multiple requests for information between September 2021, and March 2022. Salvasen failed to respond timely and completely to these requests, some of which were sent under the authority of TEX. INS. CODE § 101.104.
18. On March 31, 2022, in response to a TDI request for information related to Salvasen's wind-down, Salvasen provided TDI with the balance sheets and income statements of Triada Assurance Holdings, LLC dba Salvasen Health for the years ending December 31, 2020, and 2021.
19. On April 7, 2022, TDI requested Salvasen provide a representation that the financial information submitted to TDI is Salvasen's financial information.
20. On April 8, 2022, Salvasen sent TDI a letter stating that the correct name of the primary Respondent is the name on the financial statements—Triada Assurance Holdings, LLC dba Salvasen Health. Salvasen further represented that all Salvasen funds have been and currently are in an account in the name of Triada Assurance Holdings, LLC dba Salvasen Health and that the only account for the subject business is in that name.
21. In response to a follow-up question from TDI, Salvasen stated that the Triada Assurance Holdings, LLC dba Salvasen Health account only has Salvasen funds with the exception of one account for Triada Health, LLC where the initial plan documentation listed Triada Assurance Holdings, LLC dba Salvasen Health as the remittance account in error. Salvasen represented that these funds were immediately transferred to the correct Triada Health, LLC account.
22. On or before the date of this order, Salvasen provided TDI with its financial statements for the first quarter of 2022.

Conclusions of Law

1. The commissioner has jurisdiction over this matter under TEX. INS. CODE Chs. 82, 84, and 101 and TEX. GOV'T CODE §§ 2001.051-2001.178.

2022-7308

Commissioner's Order

Triada Assurance Holdings, LLC dba Salvasen Health, et al.

Page 5 of 9

2. The commissioner has the authority to informally dispose of this matter as set forth in TEX. GOV'T CODE § 2001.056, TEX. INS. CODE § 36.104, and 28 TEX. ADMIN. CODE § 1.47.
3. Respondents have knowingly and voluntarily waived all procedural rights to which they may have been entitled regarding the entry of this order, including, but not limited to, issuance and service of notice of intention to institute disciplinary action, notice of hearing, a public hearing, a proposal for decision, rehearing by the commissioner, and judicial review.
4. Respondents violated TEX. INS. CODE § 101.102 by engaging in acts constituting the business of insurance without a license or other authorization.
5. Respondents violated TEX. INS. CODE § 101.104 by failing to provide the information requested.

Order

It is ordered that Respondents cease and desist from engaging in the business of insurance, as defined in TEX. INS. CODE Ch. 101, effective immediately.

It is further ordered that Respondents must jointly ensure Salvasen's compliance with the following wind-down plan that covers all Salvasen plans and associated claims nationwide:

1. Pay all claims as they become due and administer any appeals of those claims until Salvasen has met all of its obligations under its insurance products and healthcare-related policies and arrangements (collectively, plans).
2. Pay restitution of premiums paid, on a pro-rata basis if necessary, to all consumers that purchased Salvasen plans. Salvasen will make this restitution payment if there are sufficient funds remaining after Salvasen has paid all claims as they become due, administered appeals, and met all of its obligations under its plans.
3. Modify all existing Triada Health, LLC contracts to ensure that there is no comingling of funds between Triada Health, LLC and Triada Assurance Holdings, LLC dba Salvasen Health accounts.

2022-7308

Commissioner's Order

Triada Assurance Holdings, LLC dba Salvasen Health, et al.

Page 6 of 9

4. Complete wind-down and dissolution only after the time allowed under Salvasen's plans for filing claims and completing appeals has passed and it has fulfilled its obligations under this order, including the obligations set out in paragraphs one and two of this wind-down plan.
5. Complete wind-down and dissolution in an orderly manner in compliance with Texas law, including the Texas Business Organizations Code and its requirement to apply Salvasen property, to the extent possible, to the just and equitable discharge of liabilities and obligations, giving priority to claims under Salvasen's plans.
6. Ensure that all fees and expenses are reasonable and necessary.
7. Liquidate, sell, transfer, dispose of, or convey Salvasen assets in exchange for fair market value only for the purpose of paying claims as they become due, administering appeals, paying legally required obligations, including restitution of premiums required by this order, and completing wind-down and dissolution.
8. Not lend or encumber any Salvasen assets during the wind-down and dissolution.
9. Provide requested information to TDI within five business days unless otherwise agreed to by TDI in writing. Notify TDI within three business days of any material fact or event that could affect Salvasen's orderly wind-down, ability to pay claims as they become due, or ability to administer appeals. A material fact or event includes, but is not limited to, having insufficient funds available to pay claims or administer appeals or anticipating having insufficient funds available to pay claims or administer appeals. Respondents will send notices to EnforcementReports@tdi.texas.gov.
10. Report to TDI, by 2:00 p.m. Central time on the 15th and last day of each month, a financial statement which breaks down assets and liabilities, shows cash flow, and describes the activities listed above on a line-item basis as of the close of business the day preceding. Salvasen will send this report to TDI until September 30, 2022. After that date, Salvasen will report by the last day of each month until Salvasen pays all claims in accordance with deadlines set out in Salvasen policies as well as pays restitution. Respondents will send reports to EnforcementReports@tdi.texas.gov.

2022-7308

Commissioner's Order

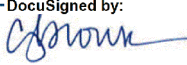
Triada Assurance Holdings, LLC dba Salvasen Health, et al.

Page 7 of 9

Respondents are ordered not to apply for any TDI-issued license or authorization for 10 years from the date of this order. During that time period, Respondents will not participate in or act as an owner, officer, or shareholder of any TDI-authorized entity.

TDI may take any and all legal actions and seek any and all legal remedies if Respondents fail to comply with this order.

All of TDI's rights under TEX. INS. CODE Ch. 443 are reserved, and this order and any action taken pursuant to this order, including compliance with this order, does not prevent TDI from exercising its authority under TEX. INS. CODE Ch. 443.

DocuSigned by:

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Cassie Brown
Commissioner of Insurance

Recommended and reviewed by:



Leah Gillum, Deputy Commissioner
Fraud and Enforcement Division



Cassie Tigue, Staff Attorney
Fraud and Enforcement Division

Affidavit

STATE OF Texas §

COUNTY OF Harris §

Before me, the undersigned authority, personally appeared Barry Glenn, who being by me duly sworn, deposed as follows:

"My name is Barry Glenn. I am of sound mind, capable of making this statement, and have personal knowledge of these facts which are true and correct.

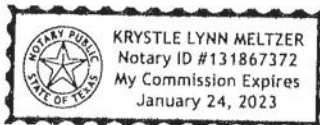
I hold the office of President ICEO and am the authorized representative of Triada Assurance Holdings, LLC dba Salvasen Health, Salvasen Health Holdings, LLC, Salvasen United Association, Inc. dba Salvasen Health, and "Salvasen Health." I am duly authorized by said organizations to execute this statement.

Triada Assurance Holdings, LLC dba Salvasen Health, Salvasen Health Holdings, LLC, Salvasen United Association, Inc. dba Salvasen Health, and "Salvasen Health." have knowingly and voluntarily entered into the foregoing consent order and agree with and consents to the issuance and service of the same by the commissioner of insurance of the State of Texas."

Barry Glenn
Affiant

SWORN TO AND SUBSCRIBED before me on April 12th, 2022.

(NOTARY SEAL)



[Signature]
Signature of Notary Public

Krystle Meltzer
Printed Name of Notary Public

Affidavit

STATE OF Texas §

COUNTY OF Harris §

Before me, the undersigned authority, personally appeared Barry Glenn, who being by me duly sworn, deposed as follows:

"My name is Barry Jay Glenn. I am of sound mind, capable of making this statement, and have personal knowledge of these facts which are true and correct.

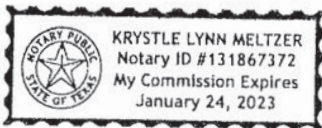
I waive rights provided by the Texas Insurance Code and other applicable law and acknowledge the jurisdiction of the commissioner.

I have knowingly and voluntarily entered into the foregoing consent order and agree with and consent to the issuance and service of the same by the commissioner of insurance of the State of Texas."

Barry Glenn
Affiant

SWORN TO AND SUBSCRIBED before me on April 12th, 2022.

(NOTARY SEAL)



Krystle Meltzer
Signature of Notary Public

Krystle Meltzer
Printed Name of Notary Public