

**STATE OF WASHINGTON  
OFFICE OF THE INSURANCE COMMISSIONER**

*In the Matter of*

**ONESHARE HEALTH, LLC,**

Unauthorized Entity/  
Respondent.

Order No. 20-0250

**ORDER TO CEASE AND DESIST**

Pursuant to RCW 48.02.080 and RCW 48.15.023, the Insurance Commissioner of the state of Washington (“Insurance Commissioner”) orders the above-named Respondent, and its officers, directors, trustees, employees, agents, and affiliates to immediately cease and desist from:

- A. Acting as an insurer in the state of Washington;
- B. Engaging in or transacting the unauthorized business of insurance in the state of Washington;
- C. Seeking, pursuing, and obtaining any insurance business in the state of Washington;
- D. Soliciting Washington residents to purchase any insurance to be issued by an unauthorized insurer; and
- E. Soliciting Washington residents to induce them to purchase any insurance contract.

**BASIS:**

1. The parent of OneShare Health, LLC, Anabaptist Healthshare, Inc., incorporated on May 26, 2015 in Virginia; on August 31, 2018, it amended its name to Kingdom Healthshare International; and on March 12, 2019, it amended its name to OneShare International (hereinafter referred to as “the Organization”). On April 9, 2019, the Organization registered Anabaptist

Healthshare as a d.b.a. The Organization represents itself as a health care sharing ministry (“HCSM”), exempt from insurance regulation. It does not have members in Washington State.

2. On November 10, 2016, the Organization formed a wholly owned subsidiary, Unity Healthshare, LLC; on August 27, 2018, it amended its name to Kingdom Healthshare Ministries, LLC; and on March 11, 2019, it amended its name to OneShare Health, LLC (“OneShare”). OneShare is incorporated in Virginia and headquartered in Texas. OneShare represents itself as a HCSM, exempt from insurance regulation. It has members in Washington State and it does not hold a Certificate of Authority in this state.

3. There is pending litigation in Fulton County Superior Court (Georgia) between OneShare and Alieria Healthcare, Inc. (“Alieria”), regarding Alieria’s marketing of OneShare’s insurance products. Alieria is also the subject of an enforcement action by the Insurance Commissioner.

4. Following a referral from its producer licensing division, the Insurance Commissioner opened an inquiry to determine 1) if OneShare is a legitimate HCSM in compliance with state and federal law, and 2) if it is not a bona fide HCSM, whether it is acting as an unauthorized insurer in Washington State.

*OneShare does not meet the legal definition of a health care sharing ministry.*

5. To qualify as a health care sharing ministry under Internal Revenue Service (IRS) and Washington law, a HCSM must be a 501(c)(3) organization whose members share a common set of ethical or religious beliefs and share medical expenses among members in accordance with those beliefs. In addition, the organization (or its predecessor) must also have been in operation and continuously sharing member health care costs since at least December 31, 1999.

6. OneShare has not been in operation and continuously sharing amongst members since 1999. To meet this requirement, OneShare relies entirely on a letter, dated July 14, 2015, from the Department of Health & Human Services (“DHHS”), approving the Organization as a HCSM. However, there are several problems with OneShare’s reliance on this letter: (1) the Organization serves a different religious community than OneShare serves, (2) the letter from DHHS contains a disclaimer that it is not binding on state authorities, (3) the Organization has not been in operation since 1999, and (4) the Organization is not OneShare’s “predecessor.”

7. OneShare explained that the Organization and OneShare serve different communities. The Organization's membership focuses on members of the traditional Anabaptist church or those who work for Anabaptist ministries or employers. The Organization does not have and has never had any Washington members. On the other hand, OneShare members are not required to be practicing Anabaptists or among those who work for Anabaptist ministries. Instead, each member must attest to OneShare's Statement of Beliefs which is founded on Biblical principles. OneShare explained that creating OneShare allowed a larger community to take advantage of healthcare sharing services in accordance with their faith. This distinction in beliefs between the two sets of members runs contrary to the continuous sharing requirement for HCSMs.

8. OneShare denies that it is a separate legal entity from the Organization and points out that, for tax purposes, it is not treated as a separate legal entity. In support, it provided an IRS Announcement which states that an LLC, if wholly-owned by an organization exempt under section 501(c)(3) of the Internal Revenue Code, may be disregarded as a separate entity for federal tax purposes. However, members were signed up with OneShare as their insurer, not the Organization. Further, and most importantly, the Insurance Commissioner is not bound by the IRS's tax treatment of OneShare.

9. Additionally, in order to qualify as an HCSM, an entity must conduct an annual audit performed by an independent certified public accounting firm. OneShare failed to meet this requirement. OneShare provided the Insurance Commissioner with an audit of the Organization for year ending December 31, 2016. The audit report is dated September 20, 2019. On this basis alone, OneShare fails to qualify as an HCSM.

*OneShare is acting as an unauthorized insurer in the state of Washington.*

10. Because OneShare is not qualified as a HCSM, it is acting as an unauthorized insurer. OneShare asserts throughout its website and written materials that it is not insurance, does not guarantee payment of medical expenses, and does not enter into contracts with members. However, based on those same materials, the members pay a monthly fee and, in return, OneShare pays providers for covered services upon the members getting sick or injured. This qualifies as insurance.

11. At the time OneShare terminated its contract with Alieria on August 10, 2018, OneShare had approximately 2,900 Washington members. Since then, 1,470 Washington residents

have been OneShare members, with a current total of 1,091 Washington members. Members from Washington have paid OneShare a total of \$1,239,328.15 to date.

12. Based on their website, OneShare continues to offer Washington consumers insurance.

13. RCW 48.01.040 states that “insurance” is a contract whereby one undertakes to indemnify another or pay a specified amount upon determinable contingencies.

14. RCW 48.01.050 states in relevant part that “insurer” as used in this code includes every person engaged in the business of making contracts of insurance.

15. RCW 48.43.009 provides that health care sharing ministries are not health carriers as defined in RCW 48.43.005 or insurers as defined in RCW 48.01.050. For purposes of this section, “health care sharing ministry” has the same meaning as in 26 U.S.C. Sec. 5000A.

16. 26 U.S.C. Sec. 5000A states the term “health care sharing ministry” means an organization—

(I) which is described in section 501(c)(3) and is exempt from taxation under section 501(a),

(II) members of which share a common set of ethical or religious beliefs and share medical expenses among members in accordance with those beliefs and without regard to the State in which a member resides or is employed,

(III) members of which retain membership even after they develop a medical condition,

(IV) which (or a predecessor of which) has been in existence at all times since December 31, 1999, and medical expenses of its members have been shared continuously and without interruption since at least December 31, 1999, and

(V) which conducts an annual audit which is performed by an independent certified public accounting firm in accordance with generally accepted accounting principles and which is made available to the public upon request.

17. RCW 48.05.030(1) states no person shall act as an insurer and no insurer shall transact insurance in this state other than as authorized by a certificate of authority issued to it by the Insurance Commissioner and then in force; except, as to such transactions as are expressly otherwise provided for in this code.

18. RCW 48.15.020(1) states that an insurer that is not authorized by the Insurance Commissioner may not solicit or transact insurance business in this state.

19. RCW 48.15.023(5)(a)(i) states that if the Insurance Commissioner has cause to believe that any person has violated the provisions of RCW 48.15.020(1), the Insurance

Commissioner may issue and enforce a cease and desist order in accordance with the provisions of RCW 48.02.080.

20. RCW 48.02.080(3)(a) states if the Insurance Commissioner has cause to believe that any person is violating or is about to violate any provision of this code or any regulation or order of the Insurance Commissioner, he or she may issue a cease and desist order.

21. The Respondent's actions described herein violate Insurance Code provisions that include RCW 48.05.030(1) [Certificate of Authority required] and RCW 48.15.020(1) [solicitation by insurer not authorized prohibited].

**IT IS FURTHER ORDERED** that nothing herein shall prevent the Respondent from fulfilling the terms of contracts formed prior to the effective date of this Order pursuant to RCW 48.15.020(2)(b).

Any violation of the terms of this Order by the Respondent and its officers, directors, trustees, employees, agents, and affiliates or the Respondent's failure to fulfill or perform its contracts subject to this Order will render the violator(s) subject to the full penalties authorized by RCW 48.02.080, RCW 48.15.023, and other applicable sections of the Insurance Code of the state of Washington.

The Respondent has the right to demand a hearing in accordance with RCW 48.04.010, WAC 284-02-070, and WAC 10-08-110.

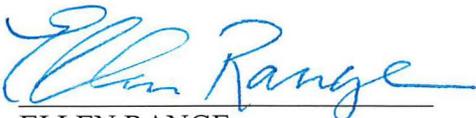
This Order shall remain in effect subject to the further order of the Insurance Commissioner.

**THIS ORDER IS EFFECTIVE IMMEDIATELY AND IS ENTERED** at Tumwater, Washington, this 31 day of March, 2020.



MIKE KREIDLER  
Insurance Commissioner

By and through his designee



ELLEN RANGE  
Insurance Enforcement Specialist  
Legal Affairs Division

**CERTIFICATE OF MAILING**

The undersigned certifies under the penalty of perjury under the laws of the state of Washington that I am now and at all times herein mentioned, a citizen of the United States, a resident of the state of Washington, over the age of eighteen years, not a party to or interested in the above-entitled action, and competent to be a witness herein.

On the date given below I caused to be served the foregoing Order to Cease and Desist on the following individual(s) in the manner listed below:

*By email and by depositing in the U.S. mail via state Consolidated Mail Service with proper postage affixed to:*

Tyler Hochstetler  
2452 S. Seminole Trail  
Madison, VA 22727  
*Registered Agent for OneShare Health, LLC*

*Courtesy copy to:*  
Kyle G.A. Wallace  
Attorney at Law  
Alston & Bird  
One Atlantic Center  
1201 West Peachtree Street  
Atlanta, GA 30309-3424  
[Kyle.wallace@alston.com](mailto:Kyle.wallace@alston.com)  
*Attorney for OneShare Health, LLC*

Dated this 31<sup>st</sup> day of March, 2020, in Tumwater, Washington.

  
DAWN KRECH  
Paralegal  
Legal Affairs Division