

FILED

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Department of Insurance
State of Idaho

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Attorney General

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**BEFORE THE DIRECTOR OF THE IDAHO DEPARTMENT OF
INSURANCE**

In the Matter of:

TRIADA HEALTH, LLC, a Texas
Company; **BARRY JAY GLENN**, an
individual,

Respondents.

Docket No. 18-4447-24

**CEASE AND DESIST ORDER
AND NOTICE**

To: **TRIADA HEALTH, LLC, and BARRY JAY GLENN**

Pursuant to the authority granted to the Director of the Idaho Department of Insurance (“Department”) in the Idaho Insurance Code, section 41-101, *et seq.*, Idaho Code, in particular section 41-213(1)(a), Idaho Code, in addition to the Administrative Procedures Act, Idaho Code § 67-5201, *et seq.*, the Director of the Department issues this **CEASE AND DESIST ORDER** without prior notice but with the opportunity for hearing based upon the following:

Idaho Law

Idaho law defines “insurance” as “a contract whereby one undertakes to indemnify another or pay or allow a specified or ascertainable amount or benefit upon determinable risk contingencies.” Idaho Code § 41-102. No person, firm, association or corporation may transact insurance without first having obtained a license from the Director of the Department. Idaho Code § 41-117A. “Transacting insurance” includes solicitation and inducement, preliminary negotiations, effectuation of a contract of insurance, transaction of matters subsequent to effectuation of a contract of insurance and arising out of it, and mailing or otherwise delivering any written solicitation to any person in this state by an insurer or any person acting on behalf of the insurer for fee or compensation. Idaho Code § 41-112.

Idaho law defines an “adjuster” as a person who “on behalf of the insurer, for compensation as an independent contractor or as the employee of such an independent contractor, or for fee or commission, investigates and negotiates settlement of claims arising under insurance contracts.” Idaho Code § 41-1102(1). No person shall be, act as, or advertise or hold himself out to be an adjuster unless he is licensed as an adjuster in Idaho. Idaho Code § 41-1103. The licensed agent of an authorized insurer who, at the insurer’s request, from time to time adjusts or assists in adjustment of losses arising under policies issued by such insurer, is not an adjuster. Idaho Code § 41-1102(1)(c). However, this exception does not apply to agents who adjust on behalf of insurers that do not hold a certificate of authority in Idaho, because those insurers are not “authorized insurers.” Idaho Code § 41-110(1).

No basic insurance policy shall be delivered in Idaho unless the form has been filed with the Director. Idaho Code § 41-1812(1).

No surplus lines insurance policy shall be delivered in Idaho unless the class of coverage has been declared eligible for export pursuant to Idaho Code § 41-1216(1) or the broker has executed an affidavit in a form prescribed by the Director setting forth facts from which it can be determined whether the insurance is eligible for export pursuant to Idaho Code § 41-1215.

No insurer, whether an authorized insurer or an unauthorized insurer, shall make available through any rating plan or form, property, casualty or surety insurance to any firm, corporation, or association of individuals, any preferred rate or premium based upon any fictitious grouping of such firm, corporation, or individuals. A fictitious group is one in which members of such group do not have a common insurable interest as to the subject of the insurance and the risk or risks insured or to be insured. Idaho Code § 41-1317(1).

Idaho Code § 41-213(1)(a) authorizes the Director to issue an order requiring a person to cease and desist from engaging in any act or practice constituting a violation of the Idaho Insurance Code.

Idaho Code §§ 41-213(1)(a) and 67-5247 provides that an agency may act through an emergency proceeding, otherwise known as a cease and desist order, in a situation involving an immediate danger to the public health, safety, or welfare requiring immediate agency action, or where to prohibit any unlawful act or practice.

Respondents

1. TRIADA HEALTH, LLC, (hereinafter “Triada”) is a Texas limited liability company that does not hold an Idaho Non-Resident Producer License.

2. BARRY JAY GLENN (hereinafter “Respondent Glenn” or “Mr. Glenn”) is a Texas resident and president of Triada Health, LLC.

Findings of Fact

3. Triada, LLC is not licensed to transact insurance in the state of Idaho.

4. Respondent Glenn does not hold a certificate of authority in the state of Idaho or hold an Idaho producer’s license.

5. In June 2024, the Department became aware that Triada was engaged in a “direct broker agreement” with Superior Benefits, LLC, an Idaho limited liability company, wherein Superior Benefits would act as a broker for Triada and offer its products in the Idaho market to potential insurance consumers. The relationship between Triada and Superior Benefits had been ongoing for several years.

6. Through Superior Benefits, LLC, Triada sold a product it called GAP+, a supplemental policy meant to pay for out-of-pocket expenses accrued by employees on high deductible plans.

7. Superior Benefits learned that Triada is not licensed to transact insurance in the state of Idaho and took immediate action to sever its agreement with Triada after becoming concerned that Triada was either not paying claims or severely delaying doing so without justification.

8. Under information and belief, Triada has had its LLC status revoked by the state of Texas and the state of Minnesota.

Conclusions of Law

Based on the facts as set forth above, the Director concludes as a matter of law that:

- a. Because it is a contract in which respondents indemnify the consumer and allow an ascertainable benefit upon determinable risk contingencies, the GAP+ plan offered by Triada constitutes insurance as defined under Idaho law as a policy of insurance;
- b. Because Triada was offering its GAP+ plan to Idaho residents through an agreement with Superior Benefits, an Idaho company, Triada is engaged in the business of transacting insurance in the state of Idaho, as defined in Idaho Code § 41-112;
- c. Because Triada is acting for compensation to investigate and negotiate settlement of claims under insurance contracts, it is engaged in the business of adjusting in the state of Idaho, as defined in Idaho Code § 41-1102;
- d. Because Triada's GAP + policy has not been filed in Idaho, but purports to insure Idaho residents against Idaho risks, the GAP + policy violates Idaho Code § 41-1812(1);
- e. Immediate action is needed to prevent present and future damage and further abuse.

Based on the foregoing findings of fact and conclusions of law, the Director enters the following order:

ORDER TO CEASE AND DESIST

Now, therefore, acting pursuant to the public interest and Idaho Code § 41-213(1)(a), it is hereby ORDERED that:

- a. Triada Health, LLC and its managing members, members, officers, employees, agents and successors, immediately CEASE AND DESIST from transacting insurance in the state of Idaho without first being licensed and/or registered, as defined and as required under title 41, Idaho Code;
- b. Triada Health LLC, and its managing members, members, officers, employees, agents and successors, immediately CEASE AND DESIST from adjusting claims in the state of Idaho without first being licensed and/or registered, as defined and as required under title 41, Idaho Code;
- c. Triada Health LLC, and its managing members, members, officers, employees, agents and successors, immediately CEASE AND DESIST from aiding Triada in its violations of Idaho law;
- d. Barry Jay Glenn and his employees, agents and successors, immediately CEASE AND DESIST from aiding Triada Health LLC in its violations of Idaho law.

Notice

Respondents are hereby notified that this Cease and Desist Order is a final order of the Director, subject to the Respondents' right to timely file a motion for reconsideration or a request for hearing. Pursuant to Idaho Code §§ 41-232 and 67-

5246, the Respondents may file a motion for reconsideration of this Cease and Desist Order or a request for hearing within fourteen (14) days of the service of this Order.

Any hearing and subsequent proceedings in this matter will be conducted in accordance with Chapter 2, Title 41, of the Code and the Idaho Administrative Procedure Act, Idaho Code § 67-5201, *et seq.*

If the Respondents timely file a motion for reconsideration, the Department will dispose of such motion within twenty-one (21) days of its receipt, or the motion will be considered denied by operation of law, pursuant to Idaho Code § 67-5246(4).

If the Respondents timely file a request for hearing, the Respondents will be notified of the date, time and place of the hearing, as well as the name of the presiding officer. At the hearing, the Respondents will be entitled to enter an appearance, introduce evidence, examine and cross-examine witnesses, make arguments, and generally participate in the conduct of the proceedings. The Respondents may also be represented by legal counsel at their own expense.

Any motion for reconsideration or request for hearing must be timely made in writing, addressed to:

Dean L. Cameron, Director
Idaho Department of Insurance
700 W. State Street, 3rd Floor
P.O. Box 83720
Boise, Idaho 83720-0043

With a copy sent to:

Matt K. Steen
Deputy Attorney General
Idaho Department of Insurance
P.O. Box 83720

Boise, Idaho 83720-0043

Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this Order may appeal from such order to the district court by filing a petition in the district court of the county in which:

- a. a hearing was held;
- b. the final agency action was taken;
- c. the party seeking review of the order resides, or
- d. the real property or personal property that was the subject of the agency action is located.

An appeal must be filed within twenty-eight (28) days: (a) of the issuance of this Order, (b) of the issuance of an order denying a motion for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration, whichever is later. Idaho Code § 67-5273(2). The filing of an appeal to the district court does not itself stay the effectiveness of enforcement of the order being appealed.

It is so ordered.

DATED this 2 day of August, 2024.

State of Idaho
Department of Insurance

A handwritten signature in black ink, appearing to read "Dean L. Cameron", is written over a horizontal line.

Dean L. Cameron
Director

Certificate of Service

I HEREBY CERTIFY that I have on this 8th day of August, 2024, caused a true and correct copy of the foregoing CEASE AND DESIST ORDER AND NOTICE to be served upon the following by the designated means:

Triada Health, LLC
15814 Champion Forrest Dr., Suite 260
Spring, TX 77379


- ☐ first class mail
- ☒ certified mail
- ☐ hand delivery
- ☐ via facsimile
- ☐ via email

Barry Jay Glenn
President/CEO
Triada Health, LLC
15814 Champion Forrest Dr., Suite 260
Spring, TX 77379

- ☐ first class mail
- ☒ certified mail
- ☐ hand delivery
- ☐ via facsimile
- ☐ via email

Matt K. Steen
Deputy Attorney General
Idaho Department of Insurance
700 W. State Street, 3rd Floor
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Jan Noriyuki
Paralegal

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In the Matter of:

TRIADA HEALTH, LLC, a Texas
Company; **BARRY JAY GLENN**, an
individual,

Respondents.

Docket No. 18-4447-24

**AFFIDAVIT OF SHANNON
HOHL IN SUPPORT OF CEASE
AND DESIST ORDER**

STATE OF IDAHO)
) ss.
County of Ada)

SHANNON HOHL, being first duly sworn, deposes and says:

(1) I am employed by the Idaho Department of Insurance (“Department”) as its Market Oversight Bureau Chief which section monitors the activities of insurance companies operating in Idaho including marketing, underwriting, claims adjudication, and other activities related to the business of insurance. The Bureau also reviews insurance rate and form filings. I have held this position for

approximately 3 years. I have personal knowledge and belief of all matters stated herein.

(2) In my position with the Department, I am charged with investigating suspicious activities related to the business of insurance including marketing, underwriting, and claims adjudication, along with the review of insurance policy rate and form filings for compliance with Idaho law. As such, I am personally familiar with TRIADA's activities that form the basis of the Department's Cease and Desist Order.

(3) RESPONDENTS hold neither a certificate of authority nor a producer's license in the state of Idaho.

(4) Under direct information and belief, RESPONDENTS are engaged in the transaction of insurance in the state of Idaho. RESPONDENTS entered into an agreement with Superior Benefits, an Idaho limited liability company to sell RESPONDENTS' insurance products in Idaho. In time, Superior Benefits learned that RESPONDENTS were unlicensed. They also learned from a former employee of RESPONDENTS that RESPONDENTS were dishonest in their business practices in general and in specific representations made to Superior Benefits. Superior Benefits then took appropriate steps to terminate the agreement and notified the Idaho Department of Insurance.

(5) Superior Benefits soon learned that RESPONDENTS were either not paying claims or were slow to pay valid claims. Superior Benefits had to resort to

having its Errors and Omissions carrier pay claims because of RESPONDENTS' lack of action.

(6) I have been in contact with Superior Benefits' attorneys who are helping them to terminate the agreement with RESPONDENTS as quickly as possible. This being the case, I am familiar with RESPONDENTS' actions in attempting to willfully sell its products in Idaho without proper licensing.

(7) Based upon RESPONDENTS' past failure to pay valid claims in a timely manner or failure to pay them at all, it is likely that RESPONDENTS have no intention of paying any claims. Rather, they intend to only collect premiums.

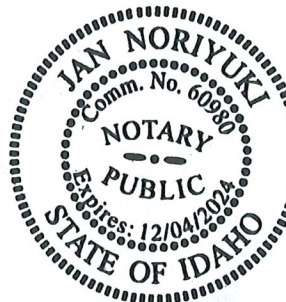
(8) RESPONDENTS' unlawful actions justify a Cease and Desist Order from the Director under Idaho Code § 41-213(1)(a), as an immediate danger to the public health, safety, or welfare.

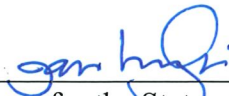
DATED this 7 day of August 2024.

State of Idaho
Department of Insurance


SHANNON HOHL

SUBSCRIBED and sworn to before me this 7th of August, 2024.




Notary for the State of Idaho
Residing at: Boise, ID
My Commission Expires: 12-4-2024

Certificate of Service

I HEREBY CERTIFY that I have on this 8th day of August, 2024, caused a true and correct copy of the foregoing **AFFIDAVIT OF SHANNON HOHL IN SUPPORT OF CEASE AND DESIST ORDER** to be served upon the following by the designated means:

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15814 Champion Forrest Dr., Suite 260
Spring, TX 77379


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President/CEO
Triada Health, LLC
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Jan Noriyuki
Paralegal