

**BEFORE ALLAN L . MCVEY, INSURANCE COMMISSIONER  
OF THE STATE OF WEST VIRGINIA**

**IN RE:           Triada Assurance Holdings,  
                  LLC dba “Salvasen Health”,  
                  Salvasen Health Holdings, LLC  
                  And Salvasen United Association  
                  Inc. dba “Salvasen Health”**

**ADMINISTRATIVE PROCEEDING NO.: 22-IC-02363**

**IN RE:           Emily Payne  
                  NPN: 18929883**

**ADMINISTRATIVE PROCEEDING NO.: 22-IC-02403**

**FINAL ORDER**

The undersigned, Insurance Commissioner of the State of West Virginia, does hereby adopt and approve the Recommended Decision of the Hearing Examiner, appended hereto, as well as the findings of fact and conclusions of law therein contained. It is consequently ORDERED that Respondent 1, Triada Assurance Holdings, LLC violated West Virginia Code § 33-44-4(a), and it is ORDERED that Triada Assurance Holdings, LLC be fined \$20,000.

It is consequently ORDERED that Respondent 2, Emily Payne, nonresident producer violated West Virginia Code § 33-44-4(b) and that her license be revoked, and she be fined \$10,000.00.

The objections of any party aggrieved by this Order and to the Recommended Decision herein adopted are preserved.

ENTERED this 3<sup>rd</sup> day of November 2023.

  
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ALLAN L. MCVEY CPCU, ARM, AAI, AAM, AIS  
Insurance Commissioner

**BEFORE ALLAN L. MCVEY, INSURANCE COMMISSIONER  
STATE OF WEST VIRGINIA**

**IN RE: Triada Assurance Holding,  
LLC dba “Salvasen Health,”  
Salvassen Health Holdings, LLC  
and Salvassen United Association  
Inc. dba “Salvasen Health.”**

**ADMINISTRATIVE NO.: 22-IC-02363**

**IN RE: Emily Payne  
NPN 18929883**

**ADMINISTRATIVE NO.: 22-IC-02403**

**RECOMMENDED DECISION  
OF THE HEARING EXAMINER**

On August 30, 2023, a hearing was held before Hearing Examiner Mark W. Carbone, Esquire, via zoom. There then being present on behalf of the West Virginia Offices of the Insurance Commissioner: Andrew Ryan, Esq., Robert Grishaber, Director of Licensing and Education. No one on behalf of Triada Assurance Holdings, aka “Salvasen Health”. (Hereinafter “Respondent 1”) or on behalf of Emily Payne (hereinafter “Respondent 2”) made an appearance at the hearing.

**Statement of the Case**

This matter arises out of the Administrative Complaint filed against Respondent 1 and Respondent 2. In the Complaint the West Virginia Offices of the Insurance Commissioner accused Respondent 1 and 2 of conducting unauthorized insurance business in the State of West Virginia.

### **Findings of Fact**

1. Respondent 1 is not authorized to conduct insurance business in the State of West Virginia or any other state, according to an order issued by the Texas Commissioner of Insurance. (Tr. P. 19; Ex. 0-2)

2. A certified letter containing a copy of the Complaint and a Notice of Hearing was sent to Respondent 1 by the West Virginia Offices of the Insurance Commissioner. The certified letter was signed for as received on August 15, 2023. (Ex. S-1)

3. Respondent 2 is licensed as a nonresident producer in West Virginia. Respondent 2's West Virginia nonresident producer license does not expire until November 30<sup>th</sup>, 2024. She is a resident of the state of Florida. Her address is 19 Northwest 45<sup>th</sup> Avenue, Apartment 201, Deerfield Beach, Florida. (Tr. PP. 14-16; Exhibit 2)

4. A certified letter was sent to Respondent 2 at her Deerfield Beach address. The letter was returned to the West Virginia Offices of the Insurance Commissioner as unable to be delivered. (Ex. S-2)

5. The West Virginia Offices of the Insurance Commissioner called Ms. Melody Pourfarhadi as a witness. Ms. Pourfarhadi filed a complaint against Respondent 1 on January 11, 2023. A hearing was held on that matter and the following are portions of the Findings of Fact in that decision. (Tr. P. 7)

6. Ms. Pourfarhadi needed health insurance after being laid off and losing her health insurance. She went to a website called Healthcare.gov. After completing the online form, she was contacted by Respondent 2, as a representative of Respondent 1. (Tr. PP. 6-7)<sup>1</sup>

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<sup>1</sup> All page numbers and exhibits in paragraphs 3-15 are referring to the transcript of the matter of

7. Ms. Pourfarhadi was told by Respondent 2 that the policy provided medical services at a negotiated rate. She was told that there would not be a deductible, there was no co-pay, and the policy would cover medically necessary claims. In addition, the Complainant was told by Respondent 2 that the policy would cover one hundred percent of her claims with no maximum. After providing the necessary information the Complainant purchased a health insurance policy from Respondent 2. (Tr. PP. 7-9; Ex. 3)

8. On July 20, 2021, Ms. Pourfarhadi fell outside of her home. She was bending over to pick up some mail, she had dropped, and fell approximately eighteen feet. (Tr. P. 10)

9. After the fall, Ms. Pourfarhadi was transported to Charleston Area Medical Center-General Hospital. As a result of the fall, the Complainant had two surgeries on her right wrist, followed up by physical therapy. She was in the hospital for nine days. (Tr. P. 11)

10. The hospital submitted claims for the medical treatment to Respondent 1. A representative of Respondent 1 informed the hospital that Ms. Pourfarhadi had medical coverage. While Ms. Pourfarhadi was in the hospital, she contacted Respondent 1 to file a claim. Respondent 1 informed the Complainant that the claim had to go through a repricing system, maintained by Premier Access. Respondent 1 did not indicate that there would be any problem with the claim. (Tr. P. 13)

11. Ms. Pourfarhadi called Respondent 1 several times. At first, Ms. Pourfarhadi was told that Respondent 1 did not have the claim on file because it hadn't been through Respondent 1's processing system. Respondent 1 eventually stopped returning the Complainant's calls. As

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Melody Pourfarhadi v. Salvasen Health. Admin, Proceeding No. 22-IC-02363. This matter was incorporated into this case by reference during the hearing as Exhibit O-1.

of the time of the hearing, none of Ms. Pourfarhadi's medical bills have been paid. (Tr. P. 13-14)

12. The only claim that was processed by Respondent 1 was Ms. Pourfarhadi's claim for physical therapy. This claim was denied as a non-covered claim, by Respondent 1. Following the denial, Ms. Pourfarhadi again contacted Respondent 1 and was told that the claim would be reviewed for payment. When the claim was not paid, Ms. Pourfarhadi contacted her agent, Respondent 2. Respondent 2 told Ms. Pourfarhadi that she would contact Respondent 1. She went on to say that it was her belief that the claim for physical therapy should be paid. (Ex. 2)

13. On the day that Ms. Pourfarhadi filed her complaint with the Offices of the Insurance Commissioner, she again called Respondent 1. The Complainant was again informed that the physical therapy was not a covered claim. After the call with Respondent 1, Ms. Pourfarhadi contacted her insurance agent, Respondent 2. This time the insurance agent told Ms. Pourfarhadi that her claim for physical therapy was not a covered claim. (Ex. 2)

14. Ms. Pourfarhadi then contacted the billing department of the company that provided her with physical therapy. The billing department informed her that the company does not perform physical therapy services until the treatment has been authorized by the insurance company. Therefore, Respondent 1 authorized the physical therapy service and then denied coverage. (Ex. 2)

15. Ms. Pourfarhadi testified that she had been billed \$111,000.00 by the hospital for treatment. She claimed that all the other charges incurred amounted to another \$100,000.00. (Tr. P. 14)

16. Prior to the hearing, the West Virginia Offices of the Insurance Commissioner received a Consent Order issued by the Texas Commissioner of Insurance. This Consent Order stated that the Respondent 1 had engaged in the business of insurance without proper licensing in the state of Texas. Respondent 1 agreed to cease and desist from the business of insurance and to comply with the terms of the Order. In addition, the Order requires the Respondent 1 to refund all premiums paid by the insured. (Tr. P. 16; Ex. 5)

17. Ms. Pourfarhadi did receive a refund for her medical insurance premiums on her credit card. There was no explanation about the refund, and she has heard nothing about her claims or her appeal of the physical therapy denial. (Tr. P. 18)

18. At the hearing for this matter, following the testimony of Ms. Pourfarhadi, Mr. Grisharber, Director of Licensing and Education for the Offices of the Insurance Commissioner presented his testimony. (Tr. P. 14)

19. Mr. Grisharber testified that Respondent 2 was a licensed Non-Resident Producer in the State of West Virginia. (Tr. P. 15; Ex. 2)

20. Mr. Grishaber also testified that Respondent 1 was not licensed in any state, including West Virginia. He cited the affidavit provided by Mr. Michael Crum, Chief Financial Analyst for the West Virginia Offices of the Insurance Commissioner. (Tr. P, 18: Ex. 3)

21. The insurance policy entered into by Ms. Pourfarhadi and Respondent 1 was placed into evidence. (Ex. Policy 1 and Policy 2)

22. The hearing was adjourned at 2:09 p.m. At the end of the hearing, no one appeared on behalf of Respondent 1 or Respondent 2.

### **Issue**

Whether the Respondent 1 violated West Virginia Code § 33-44-4(a), and whether Respondent 2 violated West Virginia Code § 33-44-4(b), and if so, what should be the remedy?

### **Burden of Proof**

The West Virginia Offices of the Insurance Commissioner has the burden of proof to prove, by a preponderance of the evidence, that the Respondent 1 violated West Virginia Code § 33-44-4(a), and whether Respondent 2 violated West Virginia Code § 33-44-4(b).

### **Jurisdiction**

The West Virginia Offices of the Insurance Commissioner has jurisdiction over this matter pursuant to Article 12, Chapter 33 of the West Virginia Code.

### **Analysis**

The Administrative Complainant, filed by the West Virginia Offices of the Insurance Commissioner against the Respondent 1, alleged that Respondent 1 violated West Virginia Code § 33-44-4(a) by transacting insurance business in the State of West Virginia without being authorized to do so.

West Virginia Code § 33-44-4(a) which states as follows:

It is unlawful for any person to engage in any act which constitutes the transaction of insurance under the provisions of this article unless authorized by a license in force pursuant to the laws of this state, or unless exempted by the insurance laws of this state. Any person or insurer



engaged in any act which constitutes the unauthorized transaction of insurance shall be subject to the provisions contained in chapter thirty-three of the code and the provisions and penalties set forth in this article.

The West Virginia Offices of the Insurance Commissioner presented evidence that Ms. Pourfarhadi was sold a policy issued by Respondent 1 for health insurance.

The Insurance Commissioner also presented evidence, through an affidavit from Mr. Michael Crum, that Respondent 1 was not authorized in the State of West Virginia to provide any type of Insurance in the State.

Finally, the Commissioner introduced evidence from the Texas Commissioner of Insurance again stating that Respondent 1 was not authorized to sell insurance in any state.

Therefore, based on the evidence introduced by the Offices of the Insurance Commissioner, proved that Respondent 1 violated West Virginia Code § 33-44-4(a).

The next issue to determine whether Respondent 2 violated West Virginia Code § 33-44-4(b), which states as follows:

It is unlawful for any person to, directly or indirectly, represent, aid, counsel, opine, administer, assist in any manner or capacity or otherwise act as an agent for or on behalf of an unauthorized insurer in the unauthorized transaction of insurance. Any person who represents, aids or assists, in any manner or capacity, an unauthorized insurer in violation of this article shall be subject to the provisions and penalties set forth in this article.

The testimony of Ms. Pourfarhadi proved that Respondent 2, who sold Ms. Pourfarhadi a policy from Respondent 1, acted as an agent for a company that was not authorized to transact insurance in the State of West Virginia.

By proving, by a preponderance of the evidence, that Respondent 2 sold a policy from a company that was not authorized to transact insurance business in West Virginia, the West Virginia Offices of the Insurance Commissioner proved that Respondent 2 violated West Virginia Code § 33-44-4(b).

### **Conclusions of Law**

1. The West Virginia Offices of the Insurance Commissioner have jurisdiction over non-resident producers by virtue of West Virginia Code § 33-12-24(a).

2. The West Virginia Offices of the Insurance Commissioner has the burden of proof to prove, by a preponderance of the evidence, that the Respondent 1 violated West Virginia Code § 33-44-4(a).

3. The West Virginia Offices of the Insurance Commissioner has the burden of proof to prove, by a preponderance of the evidence, that Respondent 2 violated West Virginia Code § 33-44-4(b).

4. West Virginia Code § 33-44-4(a) requires that any entity that engages in a transaction of insurance must be licensed in West Virginia.

5. Based upon the affidavit and the Order of the Texas Insurance Commissioner, the West Virginia Offices of the Insurance Commissioner proved that Respondent 1 was not licensed to conduct insurance transactions in West Virginia.

6. The West Virginia Offices of the Insurance Commission, through the testimony of Ms. Pourfarhadi, proved that Respondent 1 engaged in an insurance transaction in West Virginia.

7. By proving that Respondent 1 was not authorized to transact insurance business in §West Virginia and then proving that Respondent 1 did conduct an insurance transaction in the state, it proved that Respondent 1 violated West Virginia Code § 33-44-4(a).

8. West Virginia Code § 33-44-4(b) requires that any licensed agent must only transact insurance business with an entity licensed to sell an insurance product in West Virginia.

9. The West Virginia Offices of the Insurance Commissioner, through the testimony of Ms. Pourfarhadi, proved that Respondent 2 acted as an agent for an entity that was not authorized to transact insurance business in West Virginia.

10. By proving, by a preponderance of the evidence, that Respondent 2 acted as an agent for an entity that was not authorized to transact business in West Virginia thus proving that Respondent 2 violated West Virginia Code § 33-44-4(b).

#### **Recommended Decision**

It is recommended that Triada Assurance Holding L.L.C be found to have violated West Virginia Code § 33-44-4(a), and Emily Payne violated West Virginia Code § 33-22-4(b). That Triada Assurance Holding L.L.C. be fined \$20,000. That Emily Payne's producer license be revoked, and she be fined \$10,000.

Respectfully recommended,



MARK W. CARBONE  
HEARING EXAMINER

Date: Nov 2, 2023