IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

NOELLE LeCANN, KRISTIN SELIMO, and TANIA FUNDUK, on behalf of themselves and others similarly situated,	)	
Plaintiffs,	)	**CIVIL ACTION NO. 1:20-CV-02429-AT**
vs.	)	
THE ALIERA COMPANIES INC., formerly known as ALIERA HEALTHCARE, INC.,	)	
Defendant.	)	

DEFENDANT'S REPLY BRIEF IN SUPPORT OF ITS MOTION TO DISMISS, OR ALTERNATIVELY, TO COMPEL ARBITRATION

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I. INTRODUCTION

Plaintiffs begin their response brief by scolding Aliera for "neglecting to mention recent rulings against it involving the same plans and arbitration provisions at issue here." (Doc. 26 at 3 (citing *Jackson v. Aliera Cos.*, No. 2:19-cv-1281-BJR, 2020 WL 2733722 (W.D. Wash. May 26, 2020)). In that decision, Judge Barbara Rothstein concluded that Aliera and Trinity Healthshare's motion to dismiss filed under Rule 12(b)(6) should be denied because, applying the liberal pleading standards governing that rule, the Plaintiffs there had "sufficiently alleged that Trinity is an insurance company [and] the AlieraCare plans that Defendants created, marketed, and sold are insurance." *Jackson*, 2020 WL 2733722, at *7.

What Plaintiffs "neglect to mention," however, is that Judge Rothstein had under consideration subsequent motions to compel arbitration filed by Aliera and Trinity, motions which involved the same issues this Court now has under review. And, on August 18, 2020, Judge Rothstein issued a ruling granting the motion to compel arbitration. *See Jackson v. Aliera Cos.*, No. 19-cv-01281-BJR, 2020 WL 4787990 (W.D. Wash. Aug. 18, 2020). In essence, Judge Rothstein accepted the same arguments that Aliera makes here – that it was an arbitrator's job to resolve all of the arbitrability questions because, through incorporation of the AAA rules, the parties had delegated those issues to the arbitrator. *Id.* at *3. As we demonstrate

below, the path taken by Judge Rothstein in *Jackson* follows clear precedent.

II. ARGUMENT

A. Plaintiffs Agreed To Delegate All Arbitrability Questions To The Arbitrator.

Plaintiffs mount two primary arguments against Aliera's delegation positions. First, without any evidentiary foundation, Plaintiffs assert that there is no "agreement by the parties to delegate gateway enforceability issues to arbitration." (Doc. 26 at 27.) Second, they contend that "nothing in [the AAA] rules *requires* delegation of gateway arbitrability." (*Id.* at 27 n.13.)

That ship has already sailed in this Circuit. Both the Eleventh Circuit and this Court have concluded that incorporation by reference of the rules of an arbitral association such as the AAA or the ICC "clearly and unmistakably" constitutes a delegation of arbitrability issues to the arbitrator. *See e.g., Terminix Int'l Co. v. Palmer Ranch Ltd. P'ship*, 432 F.3d 1327, 1332 (11th Cir. 2005); *Nat'l Freight, Inc. v. Consol. Containers Co.*, 166 F. Supp. 3d 1320, 1324-25 (N.D. Ga. 2015). Rule 34(B) of the Institute for Christian Conciliation, as well as Rule R-7(b) of the AAA Commercial Rules and Rule R-14(b) of the AAA Consumer Rules, all delegate to the arbitrator the power to rule on her jurisdiction, including any challenges to the

existence, scope, or validity of the arbitration agreement.[1] Plaintiffs, therefore, cannot argue they didn't agree to delegate all arbitrability issues to the arbitrator. *See Kimbell Foods, Inc. v. Republic Nat'l Bank of Dallas*, 557 F.2d 491, 496 (5th Cir. 1977) (written terms control the question of what the parties agreed to, not their subjective and uncommunicated beliefs), *aff'd sub nom. United States v. Kimbell Foods, Inc.*, 440 U.S. 715 (1979); *see also* 11 Williston on Contracts § 30:25 (4th ed. updated May 2020) (a document incorporated by reference is part of the contract; "the two form a single instrument" to be interpreted as such).

Plaintiffs assert that the Supreme Court's recent decision in *Henry Schein, Inc. v. Archer & White Sales, Inc.*, 139 S. Ct. 524 (2019) undercuts this rule-incorporation principle. They argue that the Supreme Court, "in the face of the same AAA argument … declined to hold that the parties had agreed to delegation of arbitrability." (Doc. 26 at 27 n.13.) This suggests that the Supreme Court rejected the incorporation rulings of all the courts concluding that a delegation occurred. Not true. After stating that a "court may not decide an arbitrability question that the

[1] Plaintiffs argue that "the Rules of Procedure for Christian Conciliation of the Institute for Christian Conciliation … [provide] no hint of an arbitrability delegation." (Doc. 26 at 30 (citing Rule 25).) But Plaintiffs ignore ICC Rule 34(B), which contains a specific delegation of arbitrability issues to an arbitrator. Indeed, the language in ICC Rule 34(B) is identical to that found in AAA Commercial Rule R-7(b), which has been judicially determined to be a "clear and unmistakable" delegation of arbitrability to an arbitrator. *See, e.g.*, *Terminix Int'l Co.*, 432 F.3d at 1332.

parties have delegated to an arbitrator," *Henry Schein*, 139 S. Ct. at 530, the Supreme Court expressed "no view" about whether the parties' contract, by incorporating the AAA rules, had "in fact delegated the arbitrability question to an arbitrator." *Id.* at 531. But it did so, not because it disagreed with this Court and all the others that had found such delegation through rules incorporation, but because the Fifth Circuit had not expressly decided that issue and it was directed to do so on remand. *Id.*[2]

A delegation clause in an arbitration agreement limits the types of challenges that can be made to avoid arbitration. If there is a delegation clause, the Plaintiff must specifically allege factual or legal reasons to challenge the delegation clause itself. That is true because a delegation provision is "simply an additional, antecedent agreement the party seeking arbitration asks the federal court to enforce, and the FAA operates on this additional arbitration agreement just as it does on any other." *Rent-A-Center, W., Inc. v. Jackson*, 561 U.S. 63, 70 (2010). Thus, to avoid enforcement of the delegation agreement, the plaintiff must challenge it specifically,

[2] It is worth noting that the Fifth Circuit, on remand, adopted the prevailing position in every circuit that incorporation of the AAA rules does constitute a "clear and unmistakable" delegation of arbitrability to the arbitrator. *Archer & White Sales, Inc. v. Henry Schein, Inc.*, 935 F.3d 274, 279-81 (5th Cir. 2019). While the Fifth Circuit agreed that this provision "delegat[ed] the threshold arbitration inquiry to the arbitrator for at least some category of claims," *id*. at 280, it ruled a court (not an arbitrator) should decide whether other categories of claims fell within a carve-out clause in the parties' agreement allowing actions seeking injunctive relief to proceed in court. *Id.* at 280-82. The Supreme Court granted certiorari review of that decision on June 15, 2020. *See* No. 19-963, 2020 WL 3146679 (U.S. June 15, 2020).

"leaving any challenge to the validity of the [arbitration] Agreement as a whole for the arbitrator." *Id.* at 72; *accord Githieya v. Global Tel*Link Corp.*, No. 1:15-cv-0986-AT, 2016 WL 304534, at *4 (N.D. Ga. Jan. 25, 2016).

Here, Plaintiffs do not challenge the delegation provision specifically. They don't claim that it is unconscionable, induced by fraud or duress, or subject to any other challenge that may support its revocation under general contract principles. 9 U.S.C. § 2. Therefore, all defenses to the overall arbitration agreement, such as whether it is unenforceable under O.C.G.A. § 9-9-2(c)(3), must be presented to the arbitrator.[3] *See Jones v. Waffle House, Inc.*, 866 F.3d 1257, 1264 (11th Cir. 2017) (failure to show a valid defense to the delegation clause itself meant that it was enforceable and all disputes had to be arbitrated); *Parnell v. CashCall, Inc.*, 804 F.3d 1142, 1148-49 (11th Cir. 2015) (a challenge that an arbitration agreement violated Georgia law had to be sent to the arbitrator where the plaintiff made no specific challenge to the delegation clause).

Plaintiffs read too much into the *Rent-A-Center* and *Henry Schein* decisions,

[3] Courts have consistently refused to allow a plaintiff to avoid a delegation claim by challenging it on the same grounds that the rest of the arbitration agreement (or the parties' agreement as a whole) is unenforceable. *See, e.g., Jackson*, 2020 WL 4787990, at *4; *accord Bridge Fund Cap. Corp. v. Fastbucks Franchise Corp.*, 622 F.3d 996, 1000 (9th Cir. 2010); *John B. Goodman Ltd P'ship v. THF Constr., Inc.*, 321 F.3d 1094, 1095 (11th Cir. 2003); *Schklar v. Evans*, No. 1:15-cv-2265-AT, 2015 WL 9913859, at *3-4 (N.D. Ga. Dec. 29, 2015).

as well as 9 U.S.C. § 4, when they assert that this Court must decide, "before reference to an arbitrator, whether a valid arbitration agreement exists." (Doc. 26 at 27.) While it is true that a court must determine whether an agreement to arbitrate exists, and thus that the "making of the agreement for arbitration … is not in issue," 9 U.S.C. § 4, this only goes so far. It does not extend to defenses relating to the validity or enforceability of an arbitration agreement. *See Rent-A-Center*, 561 U.S. at 69-71 & nn.1-2 (recognizing that there is a distinction between defenses of whether an arbitration contract "was in fact agreed to" or "ever concluded," on the one hand, and whether it is invalid on the other hand (*i.e.*, legally unenforceable or void due to defenses such as unconscionability or fraudulent inducement); *Terminix Int'l Co.*, 432 F.3d at 1333 (by agreeing to arbitrate in accordance with AAA rules, "the parties have contracted around th[e] default rule" that challenges to the validity of the arbitration agreement were for the court); *Bess v. Check Express*, 294 F.3d 1298, 1305-06 (11th Cir. 2002) (recognizing differences between claims that a party never assented to a contract containing an arbitration provision, and claims about whether the contract is invalid because it is illegal or subject to some other defense; holding that the court decides the first issue (assent) and arbitrators decide the latter issue (validity)). Here, each Plaintiff received a member guide containing an arbitration agreement. (Doc. 12-1, ¶¶ 10, 15, 21, 28, 33.) Each arbitration agreement

referenced and incorporated arbitral rules that delegated issues about the validity of the arbitration agreements to the arbitrator. As a result, the arbitrator must decide if there are any valid defenses to enforcement of those agreements.[4]

B. An Arbitrator Must Decide Whether Unity Or Trinity's HCSM Plans Are "Insurance" And Whether Georgia's Ban On Arbitration Provisions in Insurance Contracts Even Applies.

We next address Plaintiffs' primary challenge to arbitration: under Georgia law, arbitration clauses are illegal in insurance contracts. That's true, but it is equally true that arbitration agreements are enforceable in Georgia where insurance is not involved. *See* O.C.G.A. § 9-9-3. So, the ultimate merits question here is whether Unity or Trinity's healthcare sharing programs are insurance.

Plaintiffs devote the bulk of their brief arguing this merits question. (Doc. 26 at 4-23.) But this was largely a waste of time. Quite simply, engaging in a fact-intensive analysis and deciding whether the programs at issue are insurance is not something the Court needs to tackle now. There is an antecedent question that must

[4] Plaintiffs urge there is a "blatant conflict of interest in allowing an arbitrator to determine whether s/he has jurisdiction over a case," suggesting that the potential to receive more fees presumably creates the risk of financial incentives to rule a certain way, *i.e.*, to proceed with the arbitration. (Doc. 26 at 27 n.13.) These types of "speculative bias" arguments against arbitrators, shorn of any evidence of bias, have been repeatedly rejected. *See e.g., Lifecare Int'l, Inc. v. CD Med., Inc.*, 68 F.3d 429, 433 (11th Cir. 1995); *N. W. Electr. Coops., Inc. v. Se. Data Coop., Inc.*, No. 1:10-cv-3613-AT, 2011 WL 13217346, at *4 (N.D. Ga. Apr. 21, 2011). The Supreme Court has specifically "decline[d] to indulge the presumption that the parties and the arbitral body will be unable or unwilling to retain competent, conscientious, and impartial arbitrators." *Mitsubishi Motors Corp. v. Soler Chrysler-Plymouth, Inc.*, 473 U.S. 614, 634 (1995).

first be addressed: who decides that issue, this Court or an arbitrator. Under controlling precedent, this task belongs to an arbitrator.

Any argument that a court should resolve this underlying merits issue runs headlong into entrenched precedent. The Supreme Court has emphasized that in deciding whether claims are arbitrable, the underlying merits cannot be resolved. "When the parties' contract assigned a matter to arbitration, a court may not resolve the merits of the dispute …." *Henry Schein*, 139 S. Ct. at 530; *accord AT&T Techs, Inc. v. Commc'ns Workers of Am.*, 475 U.S. 643, 649-50 (1986) (courts have "no business weighing the merits of the grievance" in deciding whether to compel arbitration). If there is an arbitration provision, all merits issues go to the arbitrator, even if a court believes that one of the parties' position is "wholly groundless." *Henry Schein*, 139 S. Ct. at 530-31.[5] *Accord JPay, Inc. v. Kobel*, 904 F.3d 923, 930 (11th Cir. 2018) ("we presume that an arbitrator will decide the merits–related dispute"), *cert. denied*, 139 S. Ct. 1545 (2019)*; Peabody Holding Co. v. UMWA Int'l Union of Am.*, 665 F.3d 96, 104 (4th Cir. 2012) ("[w]hen evaluating arbitrability, we must not accept a party's invitation to critically appraise the merits of the underlying dispute").

When parties dispute whether insurance is involved, courts have concluded

[5] The Court in *Henry Schein* expanded this principle beyond merits issues to include "arbitrability question[s] that the parties have delegated to an arbitrator." 139 S. Ct. at 530.

that an arbitrator must decide if an applicable state ban on arbitration clauses applies and whether the McCarran-Ferguson Act reverse preempts the FAA.[6] For example, in *South Jersey Sanitation Co. v. Applied Underwriters Captive Risk Assurance Co.*, 840 F.3d 138 (2016), the court rejected similar arguments that a statutory ban on arbitration provisions in insurance contracts prohibited the defendant from enforcing arbitration. Since it was unclear if insurance was involved, "it is for the arbitrator to determine the precise nature of the [instrument] and whether [it] falls within [the state statutory ban]." *Id*. at 146; *accord Nandorf v. Applied Underwriters Captive Risk Assurance Co.*, 410 F. Supp. 3d 882, 890 (N.D. Ill. 2019).

The Sixth Circuit reached the same result in a case involving similar disputes. *See Milan Express Co. v. Applied Underwriters Captive Risk Assurance Co.*, 590 F. App'x 482 (2014). The Court concluded that challenges to an arbitration provision, based on its alleged invalidity due to a statutory ban on arbitration clauses in insurance contracts [the identical challenge here], must be decided by the arbitrator. "Milan *may* be right about [the insurance dispute], but enforceability is a question the parties expressly agreed to submit to arbitration" in the agreement's delegation

[6] The cases Plaintiffs string cite at page 24 of their Response (*McGowan, Lawson,* and *Love*), supporting their assertion that the McCarran-Ferguson Act "reverse preempts" the FAA, largely involved situations where there was no meaningful dispute that insurance or reinsurance was involved. (*See* Doc 26 at 26.) That is certainly not the case here.

clause. *Id*. at 486; *see also Hillyard, Inc. v. Applied Underwriters Captive Risk Assurance Co.*, No. 16-6062, 2017 WL 5957816, at *2-3 (W.D. Mo. Feb. 28, 2017); *Mountain Valley Prop., Inc. v. Applied Risk Servs., Inc.*, No. 1:15-cv-187, 2016 WL 755614, at *2 (D. Me Feb. 25, 2016). [7]

Judge Rothstein's reasoning in *Jackson* on the identical "who decides" question is equally applicable here:

> Plaintiffs claim that AlieraCare is illegal because it is an "unauthorized health insurance plan(s) in violation of Washington law." They charge that the arbitration clause is unenforceable because Washington law prohibits binding arbitration agreements in insurance contracts. In other words, Plaintiffs' basis for arguing that AlieraCare is illegal and their basis for arguing that the arbitration clause is void are the same: AlieraCare is an unauthorized health insurance plan that runs afoul of Washington insurance law. Thus, Plaintiffs' challenge to the arbitration clause is the same challenge to AlieraCare as a whole and must be decided by the arbitrator.

2020 WL 4787990, at *4 (internal record cites omitted).

The Court may have concerns that sending the parties to arbitration may result in the case returning to court if the arbitrator decides that Unity or Trinity's HCSMs

[7] Plaintiffs cite to the Fourth Circuit's contrary opinion in *Minnieland Private Day School, Inc. v. Applied Underwriters Captive Risk Assurance Co.*, 867 F.3d 449 (4th Cir. 2017). The *Minnieland* decision, however, is an outlier decided two years before the Supreme Court's decision in *Henry Schein*, placing merits decisions strictly off-limits in addressing arbitrability decisions. The *Minnieland* decision also emphasized how enforcing the delegation provision in the arbitration agreement would violate Virginia public policy embodied in statutes allowing pursuit of insurance claims in court. 867 F.3d at 457. But the Supreme Court has repeatedly condemned invalidating arbitration provisions on state public policy grounds applicable only to arbitration. *See e.g.*, *Marmet Health Care Ctr., Inc. v. Brown*, 565 U.S. 530, 532-33 (2012).

are insurance and Georgia's arbitration ban applies. But flip that coin over – suppose this case remains in court, proceeds through class certification and trial (and possible appeal), and there is a determination that Unity and Trinity's HCSMs are not insurance. All of that time spent litigating a case that should have been in arbitration from the beginning because the arbitration ban would not apply.

In an analogous context, the Supreme Court has already resolved this dilemma in favor of arbitration.

> It is true, as respondents asserts, that the *Prima Paint* rule permits a court to enforce an arbitration agreement in a contract that the arbitrator later finds to be void. But it is equally true that respondent's approach permits a court to deny effect to an arbitration provision in a contract that the court later finds to be perfectly enforceable. *Prima Paint* resolved this conundrum—and resolved it in favor of the separate enforceability of arbitration provisions.

Buckeye Check Cashing, Inc. v. Cardegna, 546 U.S. 440, 448-49 (2006).[8]

C. Plaintiffs Have Not Proven That Unity And Trinity's HCSM Programs Are Illegal Insurance.

If the Court decides it should first determine the ultimate merits question (whether Unity and Trinity's programs are insurance), Plaintiffs' "insurance" arguments still fail. Both Unity and Trinity's programs meet all of the elements of a

[8] There are sound practical reasons for this rule. The AAA rules permit a party to request a determination of arbitrability at a preliminary hearing. *See* Commercial Rules R-7(c), R-21(a)-(b); Consumer Rules R-14(c), R-21(a)–(b). And, because arbitrators can be chosen for their specialized expertise, it is a superior way to efficiently resolve the core insurance allegations here.

bona fide HCSM, which means they do not offer "insurance" to their members. And, even if they are not qualified HCSMs, their programs are still not insurance because they don't meet a fundamental element of insurance – the transfer of risk to an insurance company through a contract of indemnity.

1. Trinity and Unity Are Valid HCSMs.

Georgia establishes standards for determining if an entity qualifies as a "health care sharing ministry." *See* O.C.G.A. § 33-1-20(a). If an entity meets those statutory elements, it "shall not be considered an insurance company … [,] shall not be subject to any laws respecting insurance companies … [,] and shall not be subject to the jurisdiction of the Commissioner of Insurance." O.C.G.A. § 33-1-20(b).

Both Unity and Trinity meet all the statutory elements of O.C.G.A. § 33-1-20(a). Both are faith-based, nonprofit organizations that are tax exempt under the Internal Revenue Code. (Ex. A, ¶ 3; Ex. B, ¶¶ 4-5,10; Ex. C, ¶ 3; Ex. E, ¶¶ 5, 14.) Both limit participating members to those who acknowledge a similar set of faith beliefs. (Ex. A, ¶ 4; Ex. B, ¶ 12; Ex. D, ¶ 7; Ex. E. ¶¶ 3, 6-8; Docs. 12-2 at 2-3; 12-5 at 10-11; 12-6 at 7, 21, 22; 12-7 at 5; 12-8 at 5, 12, 14; 12-11 at 2, 5; 12-12 at 12, 14.) Through Aliera, both Unity and Trinity act as a facilitator (or clearinghouse) for members who have medical needs, matching them with other participating members who have the present ability to assist with those medical needs in accordance with

eligibility criteria established by Unity and Trinity. (Ex. A, ¶ 5; Ex. B, ¶ 11; Ex. D, ¶¶ 6, 9; Ex. E, ¶ 3; Docs. 12-5 at 4-9; 12-6 at 18.) Both Unity and Trinity's HCSMs provide a mechanism whereby participating members' medical needs can be met through sharing contributions made by other members. (Ex. A, ¶ 5; Ex. B, ¶ 13; Ex. D, ¶¶ 8-10; Doc. 12-5 at 4, 9.) Each participating member is also informed at the time they join the HCSM and in the member guidelines that members make their contributions with the understanding that no one assumes the risk (or promises to pay) any sharing requests made by other members. (Ex. A, ¶ 6; Ex. D, ¶¶ 8-10; Doc. 12-1 at ¶¶ 8-9, 13-14, 19-20, 26-27, 31-32.) On behalf of Unity and Trinity, Aliera or its affiliates provide written monthly statements to all members listing the total dollar amount of qualified needs submitted to each HCSM and the amounts actually assigned to participants for their contributions. (Ex. A, ¶ 7; Ex. D, ¶ 13.) Finally, the disclaimer required by O.C.G.A. § 33-1-20(a)(6) is furnished to each participating member in the applications and member guides. (Ex. A, ¶ 8; Doc. 12-1 at ¶¶ 8-9, 13-14, 19-20, 26-27, 31-32.)

Rather than conducting a point-by-point analysis of O.C.G.A. § 33-1-20(a), Plaintiffs instead rely on the decision in *Commonwealth v. Reinhold*, 325 S.W.3d 272 (Ky. 2010), to argue that the arrangements at issue here are "insurance" contracts under Georgia law. (Doc. 26 at 15-20.) But Plaintiffs ignore key differences between

Kentucky's HCSM equivalent statute, K.R.S. § 304.1-120(7), analyzed by *Reinhold*, and Georgia's HCSM statute, O.C.G.A. § 33-1-20. Thus, aside from lacking any binding effect, the decision in *Reinhold* does not fit this case.

First, it bears emphasis that the *Reinhold* decision was rendered after a full trial on the merits, not on the pleadings as Plaintiffs advocate should occur here. Second, in holding that the Medi-Share contracts were not religious publications [*i.e.*, HCSMs], *Reinhold* examined the then-current HCSM equivalent statute in Kentucky, which required "subscribers' needs be paid 'directly from one (1) subscriber to another.'" *Reinhold*, 325 S.W.3d at 279 (quoting K.R.S. § 304.1–120(7)(d)) (emphasis added).[9] The *Reinhold* court held that, "to satisfy the requirement of subsection (d), the religious publication [i.e., HCSM] must be set up so that one subscriber sends the money for assistance to the other subscriber without having the money passing through an intermediary." *Id.* (emphasis added). Because the statute required "direct" payments without the money passing through an intermediary, such as Medi-Share, and because Medi-Share did not follow this "direct" payment framework, *Reinhold* held that Medi-Share did not fall within the protections of Kentucky's equivalent to an HCSM. *Id.*

[9] Kentucky's statute has been revised since *Reinhold* and no longer contains the "direct payment" requirement. *See* Ky. Rev. Stat. Ann. § 304.1-120(7) (2017).

In contrast, Georgia's HCSM statute contains no direct payment requirement. The Georgia statute explicitly allows the HCSM to act as a "facilitator" to "[p]rovide[] for the financial or medical needs of a participant through contributions from one participant to another." O.C.G.A. § 33-1-20(a)(2), (3). This clearly contemplates money flowing through an intermediary and differentiates the Georgia statute from the one under review in *Reinhold*.

Plaintiffs also challenge Unity and Trinity's status as HCSMs because they supposedly failed to "satisfy the faith-based requirement of HCSMs." (Doc. 26 at 11.) Plaintiffs suggest, for example, that Unity lost its moorings to a "similar faith-based community" when it expanded membership beyond the shared "Mennonite faith." (*Id.* at 11-12.) Plaintiffs further suggest that the statements of beliefs in the Unity and Trinity member guidelines are "secular" and not tied to a particular sect or denomination. (*Id.* at 12.) These arguments, however, invite this Court to wade into treacherous constitutional waters by determining whether the Unity and Trinity statements of belief constitute a legitimate "faith" expression and by examining whether Unity or Trinity members actually share a common set of ethical or religious beliefs (Plaintiffs suggest they must be "screened"). As the Supreme Court has made clear, agencies and courts should be reluctant to "pass[] judgment upon or presuppose[] the illegitimacy of religious beliefs." *Masterpiece Cake Shop, Ltd. v.*

Colo. Civil Rights Comm'n, 138 S. Ct. 1719, 1731 (2018).[10]

In case after case and context after context, courts have rejected efforts to decide the contours of a faith tradition or shared ethical beliefs. Plaintiffs' contention here (that supposedly because not all doctrinal beliefs set forth in the Unity or Trinity member guides are held by all of the members, this means the members' communities do not share a set of ethical or religious beliefs) defies decades of Free Exercise jurisprudence. *See, e.g., Peterson v. Minidoka Cty. Sch. Dist. No. 331*, 118 F.3d 1351,1356-57 (9th Cir.), *amended*, 132 F.3d 1258 (9th Cir. 1997) (holding that "nothing in the First Amendment's guarantee … restricts the guarantee to the requirements of a church" and ruling for a Mormon plaintiff whose beliefs were based "on his personal sense of what his religion requires" rather than any requirement of the church). Unity and Trinity's members represent that they share beliefs rooted in a religious motivation to help one another bear the burdens of ill health. (*See* Ex. D, ¶ 7; Docs 12-5 at 5, 10; 12-6 at 5, 19, 22.) That is enough.[11]

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[10] Determining "what is a 'religious' belief or practice is more often than not a difficult and delicate task … the resolution of [which] is not to turn upon a judicial perception of the particular belief or practice in question; religious beliefs need not be acceptable, logical, consistent, or comprehensible to others in order to merit First Amendment protection." *Thomas v. Review Bd. of Ind. Emp't Sec. Div.*, 450 U.S. 707, 714 (1981) (footnote omitted). The Supreme Court has cautioned that "[i]t is not within the judicial ken to question the centrality of particular beliefs or practices to a faith, or the validity of particular litigants' interpretations of those creeds." *Hernandez v. Comm'r*, 490 U.S. 680, 699 (1989).

[11] Unity, Trinity, and their members also have rights of Free Association under the First Amendment. The Supreme Court has held that the "freedom to gather in association for the purpose

Finally, Plaintiffs suggest that Unity and Trinity's claimed status as HCSMs fail because neither was in continuous operation since December 31, 1999, which they contend is a requirement under the ACA. (Doc. 26 at 10). This argument is both wrong and irrelevant. It is wrong because members of both Unity and Trinity, or their "predecessors" have been sharing medical expenses since before 1999. (*See, e.g.*, Ex. B; Ex. 1; Ex. E, ¶ 15.) It is irrelevant because Georgia does not require an HCSM to have been in existence since 1999. *See* O.C.G.A. § 33-1-20(a). And, the 1999 requirement under the ACA was a mere safe harbor allowing an exemption from the individual mandate. *See* 26 U.S.C. § 5000A(d)(2)(B)(ii)(IV). If not met, HCSM members may not be exempt from maintaining minimum essential coverage and, therefore, may have been subject to the individual mandate. *Id*. But this requirement was nullified when Congress rescinded the individual mandate penalty in 2017; so there is no longer any need for the safe harbor. And, in any event, none of the Plaintiffs have alleged any injury for having to pay the individual mandate because Unity or Trinity's programs were not valid HCSMs.[12]

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of advancing shared beliefs is protected by the Fourteenth Amendment from infringement by any State … [and] necessarily presupposes the freedom to identify the people who constitute the association." *Democratic Party of United States v. Wisc. ex rel. La Follette*, 450 U.S. 107, 121-22 (1981) (citations omitted). So too here.

[12] Plaintiffs cite to various regulatory complaints or consent orders in other states against Aliera or Trinity concerning the manner in which they operated in those other states. (Doc. 26 at 20-23.) None of those complaints or consent orders, however, constituted binding adjudications

2. Unity and Trinity's Plans Are Not Insurance.

Even assuming that Plaintiffs could overcome Unity and Trinity's status as fully-compliant HCSMs under Georgia law (they can't), their effort to avoid the arbitration provisions in their member guides would still fail. What Unity and Trinity offered was not insurance under prevailing law. As a result, Georgia's limitations on arbitration clauses in insurance contracts don't apply. *See McKnight v. Chicago Title Ins. Co.*, 358 F.3d 854, 858 (11th Cir. 2004) (O.C.G.A. § 9-9-2(c)(3) is "expressly limited to entities within the insurance industry").

Plaintiffs' contention that Aliera sold "insurance plans" either ignores or seriously misconstrues Georgia's insurance statutes. The Georgia statute defining "insurance" requires the insurer to **"undertake[] to indemnify another or to pay a specified amount … upon determinable contingencies."** O.C.G.A. § 33-1-2(4) (emphasis added). Neither Unity nor Trinity (or Aliera for that matter) ever "undertook" to indemnify any of the members who presented sharing requests or promised to pay a "specified amount upon determinable contingencies." (Ex. A, ¶ 6;

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on contested facts that what Trinity or Aliera sold was insurance. Moreover, there is one state conspicuously absent from the list of states identified by Plaintiffs – Georgia. Because Unity and Trinity unquestionably meet the elements of a healthcare sharing ministry under O.C.G.A. § 33-1-20(a) (*see supra* at 12-14), that is all that matters here. Plaintiffs assert that Georgia law governs these matters. (*See* Doc. 26 at 13-14, 19, 26 n.12.) None of the Plaintiffs, moreover, reside in those states where these administrative proceedings cited by Plaintiffs occurred.

Ex. B, ¶ 13; Ex. C, ¶¶ 6-7; Doc. 12-5 at 4, 22-25; 12-6 at 5, 47-53.) The Unity and Trinity members all received written representations that neither Unity nor Trinity would be legally obligated to pay any sharing requests a member may proffer. (Doc. 12-1 at ¶¶ 8-9, 13-14, 19-20, 26-27, 31-32.)

Other courts agree that healthcare sharing ministries with similar arrangements do not constitute insurance. For example, in *Barberton Rescue Mission, Inc. v. Insurance Division of Iowa Department of Commerce,* 586 N.W.2d 352, 353 (Iowa 1998), the Iowa Supreme Court affirmed a lower court's finding that a Christian ministry through which subscribers share health care costs – the same type arrangement Unity and Trinity offers – was not insurance. The Iowa Supreme Court emphasized that the "principal inquiry is not how the program appears but whether the risk of payment for medical expenses is assumed by the promoter." *Id.* at 355. Noting that the ministry's materials reflected that actual costs would be borne by other subscribers, *see id.*, and that the ministry "does not promise to pay anything from its own funds," *id.* at 356, the court in *Barberton* concluded "as a matter of law that [the] plan was not insurance. *Id.* at 357; *see also Altrua HealthShare, Inc. v. Deal*, 299 P.3d 197, 201 (Idaho 2013) (ruling that HCSMs that exercised discretion to pay health care costs but did not indemnify members was not insurance when the payments came entirely from members' contributions and the ministry did not pay

any of its members' claims with its own money).[13]

D. All Of Plaintiffs' Claims Must Be Submitted To Arbitration.

Plaintiffs next seek to avoid arbitration by contending that their claims fall outside the scope of the arbitration provisions. (Doc. 26 at 32-34.) They assert that the arbitration provisions just cover claims over "differences of opinion" about medical claim determinations. (*Id.* at 32.) This argument fails for three reasons.

First, as with so much else about this case, Plaintiffs' "scope" arguments are blocked by the delegation provisions in the arbitration agreements. ICC Rule 34(B), AAA Commercial Rule R-7(b), and AAA Consumer Rule R-14(b) all provide that the arbitrator has the authority to rule on any challenges to the "scope" of the arbitration agreement. "When the parties' contract delegates the [scope] question to an arbitrator, a court may not override the contract. In those circumstances, a court possesses no power to decide the [scope] issue … even if the court thinks that the argument that the arbitration agreement applies to a particular dispute is wholly groundless." *Henry Schein*, 139 S. Ct. at 529. Thus, the whole point of a delegation

[13] Plaintiffs citation to *Love v. Money Tree, Inc.*, 279 Ga. 476 (2005), does not advance their cause. There is a key distinction between the auto memberships involved in *Love* and the HCSMs involved here. In *Love*, the Interstate Motor Club contractually agreed to pay members specific amounts upon determinable contingencies (*e.g.*, 50% of moving traffic violations, $50 for emergency road service, or $75 for ambulance service). *Id.* at 478. This was quintessential insurance, because there was a contract to indemnify the members in specific amounts if defined events occurred. Here, Unity and Trinity never agreed to use their funds to indemnify members for anything.

provision is to have an arbitrator, not a court, determine whether the claim falls within the scope of the arbitration agreement. *See Nat'l Freight, Inc.*, 166 F. Supp. 3d at 1325 (by incorporating the AAA rules, the parties agreed "to let an arbitrator decide the scope of the arbitration agreement").[14]

Second, even laying the delegation provisions aside, Plaintiffs still lose their "scope" argument. Each Plaintiff received at least one member guide containing language requiring them to arbitrate "any disputes" they had with Unity, Trinity, or Aliera (as an "associate"). There were no exclusions for any particular types of "dispute," such as disputes about matters other than medical claim determinations. In these situations, courts have broadly construed agreements requiring the arbitration of all "disputes," concluding that they encompass a wide range of claims. *See, e.g.*, *Anders v. Hometown Mortg. Servs., Inc.*, 346 F.3d 1024, 1028 (11th Cir. 2003) ("The agreement could not have been broader. Any disputes means all disputes, because 'any means all.'") This Court should do the same.

Finally, the most Plaintiffs can hope to accomplish is to create doubts about whether some of their claims qualify as arbitrable "disputes." But this won't do, as

[14] This principle forecloses Plaintiff Selimo's assertion that she is not required to arbitrate anything because one version of Trinity's member guide did not contain an arbitration provision. (Doc. 26 at 29-30.) When she became a Unity member, she received a member guide containing an arbitration agreement covering Aliera (as an "associate") (Doc. 12-1 at ¶¶ 18-19, 20-21.) An arbitrator must determine whether her claims against Aliera fall within the scope of that agreement.

this argument flies in the face of the presumption under the FAA that "any doubts concerning the scope of arbitrable issues should be resolved in favor of arbitration." *Mitsubishi Motors*, 473 U.S. at 626; *Martinez v. Carnival Corp.*, 744 F.3d 1240, 1246 (11th Cir. 2014) (citation omitted). In fact, "parties must clearly express their intent to exclude categories of claims from their arbitration agreement" before the FAA's presumption in favor of arbitrability can be overcome. *Lambert v. Austen, Ind.*, 544 F.3d 1192, 1197 (11th Cir. 2008); *see also JPay, Inc.*, 904 F.3d at 929 (if there is an arbitration agreement, "[w]e assume [an] intent to arbitrate anything not specifically excluded"). Such an exclusion is not present here.[15]

E. Aliera Can Invoke The Arbitration Procedures.

Aliera established in its principal brief why it is entitled to invoke the arbitration provisions in the Unity and Trinity member guides. (Doc. 13 at 27-32).

[15] Plaintiffs point to certain language in the various member guides suggesting that "enrollment" or "membership" in the Unity and Trinity HCSMs is "not a legally binding contract." (Doc. 26 at 29). But this argument ignores the specific language of the dispute resolution procedures requiring "binding arbitration." So, regardless of other language in the guides, which obviously were crafted to underscore the legal requirements in Georgia and other states that HCSMs must disclaim that they (and their members) are legally bound to pay another member's sharing request, the pertinent language explaining the arbitration procedures is couched in mandatory, binding terms. (*See, e.g.*, Doc. 12-5 at 17-18) ("you agree that any dispute you have with or against Unity [or] its associates … **will be settled** using the following steps of action … [including] binding arbitration)). But, in any event, any challenge that the overall member guides do not reflect enforceable agreements between the HCSMs and their members is one that must be decided by the arbitrator because it is not directed specifically to the arbitration agreement (or to the delegation clause). *See Buckeye Check Cashing*, 546 U.S. at 445-46; *Rent-A-Center*, 561 U.S. at 72.

Its position on this issue was confirmed in Judge Rothstein's recent decision granting Aliera's motion to compel arbitration under identical circumstances. *See Jackson*, 2020 WL 4787990, at *2. Plaintiffs, however, mount several challenges to Aliera's ability to pursue arbitration, but none has any merit.

Associate. Plaintiffs challenge Aliera's ability to invoke arbitration by asserting it does not qualify as an "associate" of Unity or Trinity. This argument ignores their own pleadings, which demonstrate that they perceive Aliera to be a business associate of the two HCSMs given Aliera's substantial role in marketing, selling, and administering the two HCSMs. (*See* Doc. 13 at 27-28; Doc. 1 at 1-3, 33, 35, 58-61, 65-67.) Plaintiffs, moreover, present no evidence that they never intended to arbitrate with Aliera or never considered Aliera to be an "associate" of Unity or Trinity. But even if there **were any** doubts as to what the term "associate" means, this is something that arbitrators have traditionally resolved. When they enter into an arbitration agreement, parties are held to have "bargained for the arbitrator's construction of their agreement." *Oxford Health Plans LLC v. Sutter*, 569 U.S. 564, 569 (2013) (citation omitted). And, finally, because the parties have specifically delegated all issues about the "scope" of the arbitration agreements to the arbitrator, this means that the issue of whether Aliera is an "associate" falls to the arbitrator. *See Arthur Andersen LLP v. Carlisle*, 556 U.S. 624, 630 (2009) (issues surrounding

the "scope of the agreements" includes "the question of who is bound by them"); *Contec Corp. v. Remote Sol. Co.*, 398 F.3d 205, 210-11 (2d Cir. 2005) (same).[16]

Agency. Aliera established in its principal brief that, under Georgia law, it is entitled to invoke the arbitration provisions as an agent of Unity and Trinity. (*See* Doc. 13 at 32-33.) Plaintiffs failed to address this point in their response. On this basis alone, Aliera's motion to compel arbitration should be granted.

Equitable Estoppel. Aliera also established in its principal brief that, under the allegations in the complaint and established Georgia law, it could rely on equitable estoppel as a basis to invoke the arbitration provisions. (*See* Doc. 13 at 28-32.) Plaintiffs did not address (much less attempt to distinguish) any of those cases. Instead, they rely primarily on *Lavigne v. Herbalife, Ltd.*, 967 F.3d 1110 (11th Cir. 2020), a recent case construing California law of equitable estoppel, to overcome Aliera's equitable estoppel arguments grounded in Georgia law. The decision in *Lavigne*, however, cannot carry the weight Plaintiffs have heaped on it.

[16] Plaintiffs assert that they should nevertheless win this issue because (i) Aliera drafted the arbitration provisions, (ii) those provisions are ambiguous as to whether Aliera is covered by them, and (iii) ambiguities should be resolved against the drafter. (Doc. 26 at 32.) This argument fails for factual and legal reasons. Plaintiffs cite no evidence that the two HCSMs (Unity and Trinity) had no role in drafting the arbitration provisions. And, what's more, the rule of construction against the drafter (*contra preferentum*) does not operate in the arbitration space if it would conflict with the strong pro-arbitration policies created by the FAA. *See Lamps Plus, Inc. v. Varela*, 139 S. Ct. 1407, 1418-19 (2019).

First, Herbalife, which was expressly covered by the arbitration agreement, successfully sought arbitration in *Lavigne*, and the order granting its arbitration motion was not challenged on appeal. 967 F.3d at 1117 n.4. Here, Aliera satisfies the terms of the arbitration provisions in the Unity and Trinity member guides – it was an "associate" of both. (Doc. 13, at 27-28.) So, Aliera stands in a similar position as Herbalife (expressly covered by the arbitration agreement.)

Second, contrary to the situation in *Lavigne*, Plaintiffs here cast their claims in a way that clearly brings equitable estoppel principles into play. Aliera demonstrated in its initial brief how it met both prongs of Georgia's equitable estoppel test, (*see* Doc. 13 at 29-32), an analysis Plaintiffs completely ignored.

Finally, the issue of whether equitable estoppel applies here is a question of arbitrability assigned to the arbitrator through incorporation of the ICC and AAA rules. It clearly relates to the arbitrator's "jurisdiction," which s/he is empowered to decide under the ICC and AAA rules. Other courts agree this is an issue for the arbitrator. *See Blanton v. Domino's Pizza Franchising, LLC*, 962 F.3d 842, 852 (6th Cir. 2020); *Brittania-U Nigeria, Ltd. v. Chevron USA, Inc.*, 866 F.3d 709, 715 (5th Cir. 2017); *Eckert/Wordell Architects, Inc. v. FJM Props. of Willmar, LLC*, 756 F.3d 1098, 1100 (8th Cir. 2014).[17]

[17] The Eleventh Circuit in *Lavigne* avoided resolving this delegation issue on the grounds

F. Plaintiffs' Interpretation Of The Member Guides Would Render The Mediation Requirement Superfluous, Contrary To Georgia Law.

Plaintiffs seek to avoid mediation by claiming that nothing requires mediation before the "filing of a civil action." (Doc. 26 at 36.) This makes no sense. The member guides clearly delineate mediation as a precursor to arbitration. (*See e.g.*, Doc. 12-5 at 18; Doc. 12-6 at 37.) While Plaintiffs improperly seek to replace arbitration with litigation, they still agreed to mediate their disputes first. Plaintiffs improperly attempt to rewrite the agreement by eliminating mediation from the dispute resolution process. *See Ace Am. Ins. Co. v. Wattles Co.*, 930 F.3d 1240, 1253-54 (11th Cir. 2019) (courts prefer an interpretation "that will give effect to each provision, attempt to harmonize the provisions with each other, and not render any of the policy provisions meaningless or mere surplusage") (citation omitted).

Plaintiffs also place too much emphasis on whether mediation is actually a condition precedent to litigation. Although both the Eleventh Circuit and the Georgia Court of Appeals have labeled similar mediation provisions as conditions precedent to litigation,[18] labels have no real significance here. As the cases cited in Aliera's initial brief establish, it is the accepted rule across the country that litigation must be

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that the defendants in that case had waived the argument. 967 F.3d at 1120 n.7. That obviously has not happened here. (*See* Doc. 13 at 26.)

[18] *See Kemiron Atl., Inc. v. Aguakem Int'l, Inc.*, 290 F.3d 1287, 1291 (11th Cir. 2002); *Houseboat Store, LLC v. Chris-Craft Corp.*, 692 S.E.2d 61, 64-65 (Ga. Ct. App. 2010).

dismissed where a party does not honor a contractual commitment to mediate. (*See* Doc. 13 at 15-17.) Plaintiffs cite no case that supports a court simply ignoring parties' contractual commitment to mediate their disputes.

III. CONCLUSION

For all of the foregoing reasons, this Court should grant Aliera's motion and compel Plaintiffs to first submit to mediation and then, if the case is not resolved, to binding arbitration. The Court should then stay this case under 9 U.S.C. § 3 until the case is resolved in mediation or arbitration.

/s/ Sarah R. Craig
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Counsel for Defendant,
The Aliera Companies Inc.

CERTIFICATE OF COMPLIANCE

Counsel certifies that brief has been prepared using Times New Roman 14, one of the font and point selections approved by the Court in LR 5.1.

/s/ Sarah R. Craig
Sarah R. Craig

CERTIFICATE OF SERVICE

A copy of the foregoing **DEFENDANT ALIERA'S REPLY BRIEF IN SUPPORT OF ITS MOTION TO DISMISS, OR ALTERNATIVELY, TO COMPEL ARBITRATION AND TO STAY PROCEEDINGS** has been filed this 4th day of September, 2020 via the Court's CM/ECF system, which will send notification of such filing to all parties of record.

/s/ Sarah R. Craig
OF COUNSEL

DEFENDANT'S REPLY BRIEF IN SUPPORT OF ITS MOTION TO DISMISS, OR ALTERNATIVELY, TO COMPEL ARBITRATION

EX. A

DECLARATION OF SHANTANU PAUL

I, Shantanu Paul, declare as follows:

1. I am over the age of eighteen years, and I am competent to testify regarding the matters contained herein. I have personal knowledge of the facts below, and if called as a witness, I could competently testify about what I have written in this Declaration.

2. I am the Chief Operating Officer of The Aliera Companies Inc., formerly known as Aliera Healthcare, Inc. ("Aliera"). I have worked at Aliera for approximately 2 1/2 years. During this time, I have become familiar with Aliera's activities in marketing and administering the healthcare sharing ministry programs of Unity HealthShare (now known as OneShare Health) ("Unity") and Trinity HealthShare ("Trinity"). Aliera ceased marketing Unity healthcare sharing ministry program on August 10, 2018, but continues to administer the programs for Unity members who enrolled by August 10, 2018. Aliera has marketed and administered Trinity's healthcare sharing ministry program since late August 2018. As a result of this marketing and administration of the healthcare sharing ministry programs on behalf of the applicable ministry, Aliera has the knowledge set forth in this Declaration.

3. Based on information provided to Aliera by each of Unity and Trinity, both Unity and Trinity are nonprofit organizations that are recognized as tax exempt entities pursuant to Section 501(c)(3) by the Internal Revenue Service (in Unity's case, it represents it shares the tax exempt status of its parent, Anabaptist Healthshare).

4. Each of Unity and Trinity require their participants, referred to as members, to acknowledge that they shared a common set of ethical or religious beliefs and agree to abide by a set of beliefs as part of the membership process. This set of beliefs are also contained in the applicable member guidelines provided to each member upon acceptance.

5. Pursuant to written agreements with each of Unity and Trinity, Aliera, or in the case of Trinity, Aliera's subsidiaries (the use of "Aliera" includes its subsidiaries for purposes of this Declaration), served or serve on behalf of the ministry to assist the ministry with the ministry's role as a facilitator among its members who had medical needs. Each of Unity's and Trinity's healthcare sharing programs provide for the medical needs of members through contributions from other members to the member in need. The criteria for participation and assistance are established in the member guidelines of each of Unity and Trinity. Those guidelines provide information and instructions to members on making sharing contributions and making sharing requests, as well as what types of medical expenses are potentially eligible for sharing under a specific program.

6. The member guidelines for each of Unity's and Trinity's healthcare sharing programs set forth different amounts that a member could elect to contribute to have certain types of healthcare expenses be eligible for payment. The member guidelines state that none of the other members assume the risk or promise to pay that member's healthcare sharing requests. The member guidelines also state that Unity or Trinity, as the case may be, or Aliera as administrator, do not assume the risk or promise to pay any sharing requests made by any member.

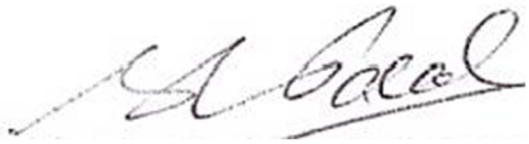
7. On behalf of Unity and Trinity, Aliera, provided and provides written monthly statements to all participating members that list the total dollar amount of qualified needs submitted to Unity or Trinity, as well as the amount actually published or assigned to members for their contributions.

8. Finally, in the member guidelines provided by each of Unity or Trinity to its respective members, the following disclaimer required by Georgia law was made:

> Notice: The organization facilitating the sharing of medical expenses is not an insurance company, and neither its guidelines nor plan of operation is an insurance policy. Whether anyone chooses to assist you with your medical bills will be totally voluntary because no other participant will be compelled by law to contribute toward your medical bills. As such, participation in the organization or a subscription to any of its documents should never be considered to be insurance. Regardless of whether you receive any payment for medical expenses or whether this organization continues to operate, you are always personally responsible for the payment of your own medical bills.

9. I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on the 3rd day of September, 2020 in Atlanta, Georgia.



Shantanu Paul

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DEFENDANT'S REPLY BRIEF IN SUPPORT OF ITS MOTION TO DISMISS, OR ALTERNATIVELY, TO COMPEL ARBITRATION

EX. B

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ONESHARE HEALTH, LLC

UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF CALIFORNIA

SACRAMENTO DIVISION

CORLYN DUNCAN and BRUCE DUNCAN, individually and on behalf of all others similarly situated,

Plaintiffs,

vs.

THE ALIERA COMPANIES, INC., f/k/a ALIERA HEALTHCARE, INC.; TRINITY HEALTHSHARE, INC.; and ONESHARE HEALTH, LLC, f/k/a UNITY HEALTHSHARE, LLC and as KINGDOM HEALTHSHARE MINISTRIES, LLC,

Defendants.

Case No. 2:20-cv-00867-TLN-KJN

DECLARATION OF TYLER HOCHSTETLER IN SUPPORT OF DEFENDANT'S MOTION TO COMPEL ARBITRATION, OR IN THE ALTERNATIVE, TO DISMISS PLAINTIFFS' AMENDED COMPLAINT

DECLARATION OF TYLER HOCHSTETLER

I, TYLER HOCHSTETLER, declare as follows:

1. I am over the age of eighteen, and I am competent to testify regarding the matters contained herein. I have personal knowledge of the facts below, and if I were to be called as a witness, I could competently testify about what I have written in this Declaration.

2. I am Chairman of the Board and Founding Board Member at OneShare Health, LLC ("OneShare"). I make this declaration in support of OneShare's Motion to Compel Arbitration.

3. OneShare is a limited liability company organized under the laws of Virginia. OneShare is formerly known as Unity Healthshare, LLC, and Kingdom Healthshare Ministries, LLC.

4. Anabaptist HealthShare ("AHS") is the sole member of OneShare. AHS is a non-profit § 501(c)(3) public charity that has managed a successful Heath Care Sharing Ministry ("HCSM") servicing the Anabaptist community in Virginia for several decades.

5. On July 14, 2015, the U.S. Center for Medicare & Medicaid Services ("CMS") approved and certified AHS as a valid HCSM that met the requirements of 26 U.S.C. § 5000A(d)(2)(B), and therefore, its members are exempt from the Affordable Care Act and its individual mandate. A copy of CMS's determination letter dated July 14, 2015 is attached as **Exhibit 1**.

6. AHS created Unity HealthShare, LLC ("Unity') on November 10, 2016. AHS created Unity as a disregarded, wholly-owned subsidiary to facilitate and expand AHS's healthcare sharing ministry.

7. AHS later informed CMS that AHS planned to use Unity to open its doors of sharing to a broader base outside of the Anabaptist community and make a bigger impact for Jesus Christ through this Ministry. AHS did not receive any objection from CMS regarding Unity's operation as an HCSM.

8. Beginning in late 2016, Aliera Healthcare, Inc. ("Aliera") served as the third-party administrator for the Unity HCSM plans. Through that relationship, AHS and Unity believed that

it could expand their ministry and teachings beyond the communities it already served in Virginia.

9. Unity is now known as OneShare.

10. OneShare is a tax-exempt § 501(c)(3) organization. Before receiving its own § 501(c)(3) determination, OneShare also qualified as a § 501(c)(3) organization because its sole member is a § 501(c)(3) organization and it has accepted treatment as a disregarded entity. IRS Announcement 99-102, 1999-43 I.R.B. 545 permits a LLC that is wholly owned by an organization that is exempt under § 501(c)(3) of the Internal Revenue Code to be disregarded as an entity separate from its owner. Further, Treas. Reg. Sec. 301.7701-3(b)(1)(ii) provides that a single member LLC may be treated as disregarded entity unless it elects otherwise. OneShare has a combined audit with AHS (now OneShare International) and the two entities file a single IRS Form 990 (Return of Organization Exempt from Income Tax).

11. HCSMs facilitate medical cost sharing between its members. HCSM members are exempt from the Affordable Care Act's individual mandate tax penalty. The Affordable Care Act defines those organizations that qualify as a HCSM.

12. OneShare meets those requirements—it is a tax-exempt 501(c)(3) organization, its members share a common set of beliefs, its members do not lose their membership if they develop a medical condition, its predecessors operated as a HCSM continuously since well before December 31, 1999, and it conducts an annual audit in the manner described in the act.

13. Health care sharing is not health insurance. Unlike insurance, OneShare does not assume the risk of its members' medical expenses, it does not guarantee coverage, and does not undertake any obligation to indemnify the members or pay anything on their behalf in exchange for a premium. Rather health care sharing ministries like OneShare merely facilitate the sharing of medical expenses among their members in accordance with member guidelines.

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I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on this 18th day of August, 2020 at Madison, Virginia.

TYLER HOCHSTETLER

Exhibit 1

Retrieved July 17, 2015

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Consumer Information and Insurance Oversight
200 Independence Avenue SW
Washington, DC 20201

CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES
CENTER FOR CONSUMER INFORMATION & INSURANCE OVERSIGHT

July 14, 2015

RE: Anabaptist Healthshare (Mennonite Aid Plan) – Review of Materials Submitted

Dear Mr. Hochstetler,

This letter conveys the results of our review of the materials submitted in connection with your request for consideration as a health care sharing ministry for the purposes of subpart G of 45 CFR part 155, which governs the granting of certificates of exemption from the shared responsibility payment under section 5000A of the Internal Revenue Code (the Code) by an Affordable Insurance Exchange (also known as a Health Insurance Marketplace).

Section 5000A of the Code, as added by the Patient Protection and Affordable Care Act (Affordable Care Act), establishes an exemption from the shared responsibility payment for members of a health care sharing ministry. Section 1311(d)(4)(H) of the Affordable Care Act specifies that one of the minimum functions of an Exchange is to grant certificates of exemption from the shared responsibility payment under section 5000A of the Code in certain categories. Section 1411(a)(4) of the Affordable Care Act specifies that the Secretary of Health and Human Services (Secretary) shall establish a program for determining whether to grant a certification of exemption from the shared responsibility payment for certain categories of exemptions listed in section 5000A of the Code, including the exemption for members of a health care sharing ministry. The Secretary established this program in part through the process described in 45 CFR 155.615(c)(2)[1], which provides that to be considered a health care sharing ministry for the purposes of certificates of exemption provided by an Exchange, an organization must submit information to HHS that substantiates the organization's compliance with the standards specified in section 5000A(d)(2)(B)(ii) of the Code.

Section 5000A(d)(2)(B)(ii)(I) – (V) specifies that, "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) where members of which share a common set of ethical or religious beliefs and share medical expenses among members in accordance to these beliefs 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,

[1] 78 FR 39494, 39527 (July 1, 2013).

(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."

Having completed the review of the materials you submitted dated May 27, 2015, the Centers for Medicare & Medicaid Services (CMS) has determined that Anabaptist Healthshare (Mennonite Aid Plan) has submitted sufficient information to substantiate its compliance with the standards specified in section 5000A(d)(2)(B)(ii) of the Code and will be considered a health care sharing ministry for the purposes of subpart G of 45 CFR part 155.

This determination is limited to Anabaptist Healthshare (Mennonite Aid Plan)'s compliance with standards relevant to an organization being considered a health care sharing ministry for the purposes of subpart G of 45 CFR part 155. As such, this determination does not supersede other relevant state or federal laws that govern the conduct of Anabaptist Healthshare (Mennonite Aid Plan). Furthermore, this determination does not reflect any decision by the Internal Revenue Service regarding Anabaptist Church (Mennonite Aid Plan)'s status as a health care sharing ministry or compliance with the Internal Revenue Code. Anabaptist Healthshare (Mennonite Aid Plan) should not inform its members or the general public that this determination provides any such rights or status other than those rights which flow from an organization being considered a health care sharing ministry for the purposes of subpart G of 45 CFR part 155, which relate strictly to an individual's eligibility under 45 CFR 155.605(d) to obtain from a Health Insurance Marketplace a certificate of exemption from the individual shared responsibility payment under section 5000A of the Internal Revenue Code.

Please note that if any change in your status or operation affects any of the information you have submitted to CMS for the purpose of requesting consideration as a health care sharing ministry pursuant to 45 CFR 155.615(c)(2), you must notify CMS within 30 days of such change. If your organization no longer meets the standards specified in section 5000A(d)(2)(B)(ii) of the Code, CMS may revoke this decision regarding the status of Anabaptist Healthshare (Mennonite Aid Plan) as a health care sharing ministry for the purposes of subpart G of 45 CFR part 155.

If you have any questions or concerns, please contact Ben Walker at benjamin.walker@cms.hhs.gov. Thank you for your cooperation.

Sincerely,

Kevin Counihan
Chief Executive Officer, Health Insurance Marketplace
Director, Center for Consumer Information & Insurance Oversight

DEFENDANT'S REPLY BRIEF IN SUPPORT OF ITS MOTION TO DISMISS, OR ALTERNATIVELY, TO COMPEL ARBITRATION

EX. C

IN THE UNITED STATES DISTRICT COURT

FOR THE EASTERN DISTRICT OF CALIFORNIA

CORLYN DUNCAN and BRUCE DUNCAN, individually and on behalf of all others similarly situated, Plaintiffs, v. THE ALIERA COMPANIES INC., formerly known as Aliera Healthcare, Inc., a Delaware corporation; TRINITY HEALTHSHARE, INC., a Delaware corporation, and ONESHARE HEALTH, LLC, formerly known as UNITY HEALTHSHARE, LLC and as KINGDOM HEALTHSHARE MINISTRIES, LLC, a Virginia limited liability corporation, Defendants.	CASE NO. 2:20-cv-867-TLN-KJN **DECLARATION OF A. JOSEPH GUARINO III** Hon. Troy L. Nunley

DECLARATION OF A. JOSEPH GUARINO III

I, A. Joseph Guarino III, under penalty of perjury, declare as follows pursuant to 28 U.S.C. § 1746 that the following is true and correct:

1. I am the President of Trinity Healthshare, Inc. ("Trinity"). I submit this declaration in support of Trinity's Motion to Dismiss or in the alternative Compel Arbitration filed in the above captioned matter.

2. I have personal knowledge of the matters set forth in this declaration, and I would be willing and able to testify to such matters.

3. Trinity is a tax exempt, non-profit organization as defined in Section 501(c)(3) of the Internal Revenue Code and is exempt from taxation under Section 501(a).

4. Trinity operates a health care sharing ministry ("HCSM") that offers potential members options to participate in medical cost sharing programs. Trinity is not an insurance company, does not engage in the business of insurance, and it does not provide health insurance to

the HCSM's members. Trinity facilitates the sharing of healthcare expenses by and among the HCSM members.

5. Trinity does not engage in the underwriting and spreading of risk for and among the HCSM's members and does not indemnify the HCSM members.

6. Trinity does not guarantee or promise that the HCSM's members' medical expenses will be paid or contract to reimburse the HCSM members for medical expenses. Trinity does not assume the risk that the HCSM's members medical expenses that are eligible for sharing may exceed the contributions that they have made to the HCSM during their membership.

7. Trinity does not undertake to indemnify the HCSM's members against loss, damage, or liability arising from a contingent or unknown event.

8. Trinity is not, and has never been, affiliated or a part of Unity Healthshare ("Unity"). Unity also operates a HCSM and, effectively, Trinity and Unity are competitors. Aliera Healthcare, Inc. ("Aliera") was a previous service provider to Unity. Aliera and Trinity are also different companies, with different management and operations.

9. I have personal knowledge that on December 14, 2018, in relation to pending litigation between Aliera and Unity in Georgia, Unity sought a temporary restraining order against Aliera which formally sought to prohibit any automatic transfer of Unity HCSM members to the HCSM operated by Trinity.

10. I have personal knowledge that on December 28, 2018, the court overseeing that litigation formally entered an order, attached to this declaration as Exhibit 1, which prohibited Aliera from transferring legacy Unity members to the HCSM operated by Trinity.

11. I have personal knowledge that on April 25, 2019, the same court entered an additional order, attached to the complaint as Exhibit A [Doc. 19-1], which prohibited Aliera from unilaterally transferring legacy Unity accounts to Trinity. That order also expressly permitted Aliera and Unity to "solicit the Unity HCSM plan members under the traditional confines of fair competition." [Doc. 19-1] at 28. The Court stated that the "Unity HCSM plan members are free to make their own decision as to whether to terminate or change their plan and which HCSM they wish to associate with, if any." *Id.*

12. I have personal knowledge that, as a result of the April 25, 2019 order, Aliera was directed to segregate all of the Unity member funds that were properly allocated to the Unity HCSM component of member plans to an account over which a receiver had access and oversight, in order to enable the receiver to oversee and ensure that the Unity HCSM member funds were being properly administered and used to share in member requests consistent with the Unity members' plan documents.

13. In 2019, some legacy Unity members were provided the option to terminate their Unity HCSM program and voluntarily change to join Trinity's HCSM program. For those legacy Unity members that elected to switch to Trinity's HCSM program, Trinity did not assume any responsibility or commitment for sharing medical expenses that were incurred by those members prior to them becoming members of Trinity's HCSM. The legacy Unity members' contributions made before they joined Trinity's program remained with Unity under the oversight of the appointed receiver in the Georgia litigation.

14. It is my understanding that Corlyn and Bruce Duncan (the "Duncans") have filed a complaint against Trinity.

15. I have reviewed the Duncan's "Plan Update Authorization Form," attached to this declaration as Exhibit 2, and confirm that the Duncans authorized transitioning their membership from Unity to the HCSM operated by Trinity on May 13, 2019.

16. I have reviewed the member report for the Duncans and I confirm that the Duncans became active members of the HCSM operated by Trinity on June 1, 2019.

17. Any contributions the Duncans made before June 1, 2019, while Unity members, remained with Unity.

18. The Duncans terminated their membership with Trinity's program on December 31, 2019.

19. Based on a reasonable investigation, I confirm that Trinity has never denied a sharing request from the Duncans for eligible expenses incurred while they were members of Trinity's HCSM (between June 1, 2019 and December 31, 2019).

I hereby certify under penalty of perjury that the foregoing is true and correct pursuant to 28 U.S.C. § 1746.

Executed in Atlanta, Georgia this 18th day of August 2020.

A. Joseph Guarino III

A. Joseph Guarino III
President
Trinity Healthshare, Inc.

Exhibit 1

IN THE SUPERIOR COURT OF FULTON COUNTY
BUSINESS CASE DIVISION
STATE OF GEORGIA

ALIERA HEALTHCARE, INC.,	)	
	)	
Plaintiff/Counterclaim Defendant,	)	
v.	)	Civil Action File
	)	No. 2018CV308981
ANABAPTIST HEALTHSHARE; UNITY HEALTHSHARE, LLC,	)	
	)	
Defendants/Counterclaimants,	)	Bus. Case Div. 1
	)	
ALEXANDER CARDONA; and TYLER HOCHSTETLER,	)	
	)	
Defendants.	)	

ORDER ENTERING
TEMPORARY RESTRAINING ORDER

Upon due and careful consideration of Defendants-Counterclaimants Anabaptist Healthshare's and Unity Healthshare LLC's ("Unity") (collectively, "AHS/Unity") Motion for Temporary Restraining Order with its accompanying Memorandum of Law, exhibits attached thereto, Affidavit of Tyler Hochstetler, and reply brief submitted in support, as well as Aliera's responsive briefing, exhibits, and affidavits in opposition, and applicable law and authorities, the Court finds that a Temporary Restraining Order is appropriate under the circumstances and should be entered in this case to maintain the existing status quo concerning the Unity HCSM plans and avoid any irreparable harm until the Court can hold a full evidentiary hearing on AHS/Unity's Application for Interlocutory Injunction and for Appointment of a Receiver.

In entering this Temporary Restraining Order, the Court is not making any determination on the merits of the parties' claims and the contract dispute at issue, but only finds at this initial stage, for the reasons set forth in the briefing and submission of the parties, that AHS/Unity has made a sufficient showing of the necessary elements to warrant the entry of this Temporary Restraining Order to prevent Aliera from completing the January 1, 2019 transition of Unity HCSM plans and members to Trinity Healthshare, LLC, so that the Court can conduct a full evidentiary hearing to determine whether an interlocutory injunction should be entered and a receiver appointed over the Unity HCSM plans during the pendency of this litigation.

Accordingly, the Court **ORDERS** that:

(1) Aliera Healthcare Inc. ("Aliera") is hereby **ENJOINED** from transitioning any Unity HCSM members and plan assets to Trinity HealthShare LLC while this Temporary Restraining Order is in effect;[1]

(2) Aliera is **ORDERED** to maintain the status quo with respect to the Unity HCSM plans until further Order of this Court. As such, Aliera is **ORDERED** to maintain the Unity HCSM plan assets that are presently in its possession or that come into its possession while this Temporary Restraining Order is in effect in a separate account, and not commingle such plan assets with any other assets of Aliera or Trinity, and to administer claims under the Unity HCSM plans in accordance with the plan documents; and

[1] This includes all members of Unity HCSM plans as of the August 10, 2018 termination of the parties' Agreement who remain HCSM members as of the date of this Order.

(3) Aliera is **ORDERED** to use electronic means to notify as many Unity HCSM plan members as possible by January 1, 2019, that they will not automatically move to Trinity effective January 1, 2019, as previously stated in Aliera's November 15, 2018 electronic correspondence (and any other similar correspondence that Aliera has provided to members), but rather will remain on their current plans until further notice unless they choose to discontinue their participation in their current Unity HCSM plan. Specifically, in making these notifications by January 1, 2019, Aliera is **ORDERED** to use all of the same means of notification that it used for its November 15, 2018 email attached as Exhibit 10 to AHS/Unity's Motion for Temporary Restraining Order. Furthermore, Aliera is **ORDERED** to use the same membership roster as used in those communications, only excluding any members who have since terminated their HCSM plans. For any Unity HCSM plan members that are not notified through electronic or other means by January 1, 2019, Aliera is **ORDERED** to notify all such remaining members by First Class U.S. Mail or other means no later than five (5) business days from the date of issuance of this Order.

[*Order continues on the following page*]

(4) The notifications required by (3) above shall state as follows, in their entirety:

"Dear Member,

No Action Is Required

This is to notify you that, until further notice, your healthcare cost sharing ministry plan ("HCSM") is not being transitioned to Trinity Healthshare, LLC on January 1, 2019, as we had indicated in prior correspondence. This is only to notify you that your plan will remain a Unity HCSM plan at this time. All plan features will remain the same with no changes and you will retain the same Member ID number.

Sincerely, Aliera."

Aliera shall not modify or substantively add to this notification in any way. If Aliera receives any inquiries about the notification, Aliera shall inform the member, broker, agent, or other inquiring person that none of the terms and conditions of the Unity HCSM plan have changed, but the plan is currently the subject of a dispute between Aliera and AHS/Unity, and the Court that is handling the dispute has issued a Temporary Restraining Order requiring Aliera to maintain the plan as a Unity HCSM plan until further notice. Aliera is permitted to also provide the case caption, court, and case number to anyone who seeks further information, but Aliera shall not otherwise discuss the dispute and litigation with any members, brokers, or agents, or engage in any efforts to persuade any of the Unity HCSM plan members, or any of their brokers or agents, to move these members over to Trinity.

(5) Aliera is **ORDERED** to provide notice of this Order within three (3) business days of its issue to its officers, agents, servants, employees, attorneys, and anyone acting in concert or participation with them with respect to the Unity HCSM plans (including without limitation officers, agents, servants, employees, and attorneys of Trinity), and this Order shall also be binding on such persons with respect to the Unity HCSM plans.

This order shall remain in effect until further order of the Court but shall not exceed thirty (30) days from the entry of this order pursuant to O.C.G.A. § 9-11-65(b). The Court will hold a hearing on **January 22, 2019 beginning at 10:00 AM** on AHS/Unity's Application for an Interlocutory Injunction and for the Appointment of a Receiver as well as a hearing on the parties' claims seeking declaratory relief. *See* O.C.G.A. §§ 9-11-65(b), 9-4-3, 9-4-5.

The foregoing hearing will be held in Courtroom 9J of the Fulton County Courthouse, 136 Pryor Street, 9th Floor, Atlanta, Georgia 30303. A court reporter will not be provided. If the parties wish for the hearing or any other court proceeding to be taken down, counsel must confer and make appropriate arrangements to have a court reporter present.

IT IS SO ORDERED at 11:51 a.m. on this 28th day of December, 2018.

Alice D. Bonner

HONORABLE ALICE D. BONNER
Superior Court of Fulton County
Business Case Division
Atlanta Judicial Circuit

Prepared and presented by[2]:

/s/ Kyle G.A. Wallace
Kyle G.A. Wallace
Georgia Bar No. 734167
Gavin Reinke
Georgia Bar No. 159424
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[2] Edited by the Court.

Exhibit 2

ALIERA™ HEALTHCARE

Plan Update Authorization Form

Important Information About Your Plan Update:

Aliera is no longer selling your current healthcare plan with Unity HealthShare, LLC component. We do have a new plan available through our alliance with Trinity HealthShare that offers the same plan services and benefits.

Plus, the following track with each member:

- Medical history and historical claims
- Payments toward member shared responsibility amount (MSRA)
- Time spent on the plan

Member Information:

Last Name: Duncan	First Name: Corlyn	MI:	Date of Birth: [redacted]-59
Member ID: [redacted]5982			

Acknowledgement:

I hereby authorize Aliera Healthcare to change my current Aliera/Unity plan to an equivalent Aliera/Trinity plan and receive the first month's payment will be waived.

I, the Primary Account Holder, understands and agrees to all fees, regulations, and limitations of the above said plan. Effective the next billing cycle, I understand that my coverage on the existing plan will be terminated, and coverage on the new plan will initiate.

Signature: DocuSigned by: Bruce K Duncan 7A43A2E93BAE4EA...	Printed Name: Bruce K Duncan
Date: 5-13-19	

DEFENDANT'S REPLY BRIEF IN SUPPORT OF ITS MOTION TO DISMISS, OR ALTERNATIVELY, TO COMPEL ARBITRATION

EX. D

BEFORE THE NEW MEXICO OFFICE OF SUPERINTENDENT OF INSURANCE

IN THE MATTER OF TRINITY HEALTHSHARE, INC.,	)	Docket No. 20-00020-COMP-CL
RESPONDENT.	)	

AFFIDAVIT OF A. JOSEPH GUARINO III

Before the undersigned officer duly authorized to administer oaths, appeared A. Joseph Guarino III, who, after being duly sworn, deposes and states the following:

1. My name is A. Joseph Guarino III. I am over eighteen (18) years of age and am competent to give this affidavit.

2. I am the President of Trinity Healthshare, Inc. ("Trinity"). I submit this affidavit in support of Trinity's Motion for Summary Judgment in the above captioned matter.

3. I have personal knowledge of the matters set forth in this affidavit, and I would be willing and able to testify to such matters under penalty of perjury.

4. Trinity is a tax exempt, non-profit organization as defined in Section 501(c)(3) of the Internal Revenue Code and is exempt from taxation under Section 501(a).

5. Trinity is a faith-based organization also known as a Health Care Sharing Ministry ("HCSM") that offers potential members options to participate in medical cost sharing programs. HCSMs provide consumers that have committed to specific religious or ethical beliefs a faith-based method to share healthcare costs.

6. Trinity's HCSM facilitates its members' sharing one another's medical costs in a community, faith-based environment.

7. Before prospective members join Trinity's HCSM, they are required to review and sign a member disclosure form. A true and correct copy of Trinity's Member Disclosure Form is

attached hereto as Exhibit 1. By signing this form, members declare their acknowledgment of Trinity's Statement of Beliefs and attest that they are of like mind with those beliefs. *See id.* at pg. 3. In affirming these shared beliefs, members must attest that they believe their personal rights and liberties originate from God and it is their spiritual duty to God and ethical duty to others to maintain a healthy lifestyle and avoid foods, behaviors, or habits that produce sickness or disease in themselves or others. *Id.*

8. Participating members send voluntary contributions to Trinity on a monthly basis in order to assist other members with their medical expenses in accordance with these shared beliefs. Members authorize Trinity to assign eligible medical expenses for sharing and distribute members' contributions consistent with the membership guidelines. *See e.g.* TrinityCare Complete Member Guide, a true and correct copy of which is attached hereto as Exhibit 2. These voluntary contributions are not given in exchange for an indemnification payment.

9. Trinity facilitates member-to-member sharing through technology called the ShareBox system. This system is designed to afford members the ability to consent to their dollars being shared on a real time, case-by-case basis with other members as needs arise. When a member makes a sharing request for payment of an eligible medical expense, other members are notified of that request via the ShareBox portal and have the option to opt out of contributing to that specific individual's sharing request. Trinity will facilitate a payment being made toward some or all of the sharing request if there happen to be sufficient contributions from the members of the ministry at the time of the request.

10. Although Trinity's ministry has not yet encountered a situation where there are insufficient member contributions to fund eligible member sharing requests, the member guides do provide a mechanism for the members to protect one another if available member contributions

are less than the eligible medical expenses submitted to the ministry. If members' eligible medical expenses exceed the available member contributions, the members agree to either: 1) share only a percentage of the eligible medical bills within that month and hold back the balance of those eligible expenses to be shared the following month; or 2) increase their voluntary monthly contributions if there are inadequate contributions to meet eligible medical expenses submitted for sharing over a 60-day period. Through this mechanism, the members—not Trinity—seek to protect their collective voluntary contributions and each other. Trinity, however, makes no promise or guarantee that there will be sufficient member contributions to fund eligible sharing requests, that Trinity will reimburse expenses out of its own funds, or that it will otherwise indemnify members.

11. Trinity does not contract with its members to guarantee the payment of a member's medical expenses or costs in exchange for the contributions provided by members.

12. Trinity's membership guides are published and available on Trinity's public website – www.trinityhealthshare.org. Trinity's website also contains multiple pages dedicated to explaining to prospective and current members how Trinity's HCSM works and how it differs from insurance. *See, e.g.*, https://www.trinityhealthshare.org/about/healthcare-cost-sharing-explained/, Trinity HealthShare, Medical Cost Sharing ("Medical Cost Sharing: Trinity HealthShare and traditional insurance *are not the same*.") attached hereto as Exhibit 3.

13. Trinity provides monthly newsletters to all members that include information regarding payments that Trinity's member-to-member sharing facilitates. A true and correct copy of Trinity May 2020 newsletter is attached hereto as Exhibit 4.

14. Trinity retains independent accounting firms to conduct annual audits of Trinity's operations and makes those audits publicly available.

15. Trinity does not maintain any reserve amount for members' sharing requests or have any reinsurance.

16. On January 6, 2020, I transmitted to Superintendent Toal a "voluntary notification," alerting the Superintendent that Trinity has members participating in Trinity's programs that reside in New Mexico in an effort to be transparent and foster communication with the Office of the Superintendent of Insurance. My letter incorrectly reported that as of December 19, 2019 there were 1,620 Trinity households in New Mexico, comprised of 2,443 individuals. The letter should have stated that, as of December 19, 2019, there were 134 Trinity households in New Mexico, comprised of 257 individuals.

FURTHER AFFIANT SAYT NOT.

A. Joseph Guarino III
President
Trinity Healthshare, Inc.

Subscribed and sworn to before me this 5 day of JUNE, 2020.

Notary Public

My Commission Expires: 07/14/23

AMELA HADZIC
Notary Public - State of Georgia
Cherokee County
My Commission Expires Jul 14, 2023

Exhibit 1

Member Information

Name: [redacted]
Address: [redacted]
Phone: [redacted]
Email: [redacted]
Date of Birth [redacted]
Gender: F

Questions

How would you like to receive your member guide?

Printed Guide

Product Information

TrinityCare Complete Plus

TrinityCare Complete helps the entire family by offering three tiers of health care sharing that, with monthly contributions, include an unlimited number of dependents and doctor visits. This program is designed for primarily healthy people who are looking for peace of mind knowing they have eligibility for sharing across a full spectrum of medical services such as preventive, primary, specialty, emergency, surgical, inpatient and outpatient care.

$471.61 per Month for Individual

Questions

At the core of what the Healthcare Sharing Ministry does, and how they relate to and engage with one another as a community of people, is a set of common beliefs.

Yes

You understand that this sharing plan has a 24-month waiting period for pre-existing conditions, where pre-existing conditions are defined as conditions that exist at the time of enrollment that have evidenced symptoms, received treatment, and/or medication within the past 24 months.

Yes

You understand that other medical services and emergency surgical services are eligible for cost sharing immediately, but elective surgical services require a 60-day wait period (180-day for TrinityCare Everyday Value and Plus) following your effective date.

Yes

You understand that Aliera Companies, and Trinity HealthShare, Inc. have the authority, under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), to request your medical records to facilitate the payment of medical expenses.

Yes

Check any of these health conditions you have:

None of the above

Do you use tobacco in any form?

No

Do you have or ever had Cancer?

No

If you had Cancer, how long ago?

Never

Do you play in any competitive sports?

No

Do you drink alcohol?

No

If you drink Alcohol, what is your weekly intake?

Never

Is anyone applying pregnant?

Yes

MSRA (Select option applicable to program)

1000

Terms and Conditions for TrinityCare Complete Plus

Trinity HealthShare Programs Disclosures

THIS IS NOT A CONTRACT OR AN INSURANCE PRODUCT.

OVERVIEW

This is a voluntary program offered by Trinity Healthshare, Inc., a Health Care Sharing Ministry

(HCSM). An HCSM is a group of individuals who share a common set of ethical or religious beliefs and voluntarily choose to share in the payment of their medical expenses in accordance with those beliefs, without regard to the state in which a member resides or is employed. Membership cannot be transferred to anyone other than the member and his/her eligible enrolled dependents.

Services are offered on a faith-based tradition of mutual aid, neighborly assistance, and burden sharing. Trinity is specifically tailored for individuals who maintain a healthy lifestyle, make responsible choices regarding health and care, and believe in helping others. As an HCSM, Trinity does not subsidize self-destructive behaviors or lifestyles. Trinity is **NOT** insurance and provides no guarantee to pay.

All Trinity HealthShare (Trinity) members are required to declare their acknowledgment of the Statement of Beliefs and to attest that they are of like mind with those beliefs.

STATEMENT OF BELIEFS

1. We believe that our personal rights and liberties originate from God and are bestowed on us by God.
2. We believe every individual has a fundamental religious right to worship God in his or her own way.
3. We believe it is our moral and ethical obligation to assist our fellow man when he/she is in need according to our available resources and opportunity.
4. We believe it is our spiritual duty to God and our ethical duty to others to maintain a healthy lifestyle and avoid foods, behaviors or habits that produce sickness or disease to ourselves or others.
5. We believe it is our fundamental right of conscience to direct our own healthcare, in consultation with physicians, family or other valued advisors.

DISCLAIMER; NO PROMISE TO PAY

Trinity HealthShare (Trinity) is a Health Care Sharing Ministry (HCSM), not an insurance company, and does not offer any insurance products or policies. As such, Trinity does not assume any risk for medical expenses and makes no promise to pay. Trinity offers voluntary participation in its HCSM programs, which are not governed by insurance laws.

Trinity does not provide a promise to pay or any guarantee of payment for medical expenses. Since Trinity does not assume the member's risk, the member is responsible for payment of his/her medical bills. Trinity does not guarantee that medical expenses will be shared by other members who utilize the health care sharing services provided by Trinity.

VOLUNTARY PARTICIPATION

Trinity members are voluntary participants of an HCSM program. Enrollment, membership and participation in a Trinity HCSM program, such as the sharing of monetary contributions, is voluntary. Enrollment is not a contract. Members are free to withdraw participation at any time. Trinity requests a "monthly contribution" amount to be collected from members to facilitate the sharing of eligible medical expenses.

GUIDELINES

Trinity manages contributions by establishing the guidelines that generally define the sharing of eligible expenses between members of the Trinity HCSM ("Guidelines"), and more specifically defines the sharing of eligible expenses between members of each Trinity program outlined in the individual member guide(s) provided at the time of enrollment. The Guidelines and Trinity member guides are not contracts and do not constitute an agreement, a promise to pay, or an obligation to

share.

The Guidelines are intended to ensure that every member has paid his/her own medical expenses as they are financially able before requesting others to share in the cost of remaining eligible medical expenses. The Guidelines generally define when a member is eligible for sharing requests, while individual member guide(s) detail what type of expenses may be eligible for sharing per program, including specific limitations, exclusions and requirements for sharing eligibility, so all members can expect a reasonable and equitable level of sharing. The amounts of sharing requests will be published monthly in a newsletter to members.

Trinity programs may exclude or have sharing limitations for pre-existing conditions. Members are required to fully disclose pre-existing conditions as part of their enrollment in Trinity programs. Trinity reserves the right, on behalf of members, to exclude sharing eligibility for any pre-existing conditions, whether disclosed at the time of enrollment or discovered after the effective date of membership. Furthermore, a member is not eligible for sharing when a member (i) receives care within the first 60 days of the program and cancels membership within 30 days of receiving medical care, except within the last 90 days of the membership term, or (ii) receives or requires surgery within the first 60 days of becoming a member, except in the case of an accident.

Trinity reserves the right to make updates to the Guidelines and member guides at any time on behalf of its HCSM program members. The Guidelines and member guides in effect at the time of service will supersede all previous versions of the Guidelines and member guides. Members will be notified of updates.

SHARING REQUESTS AND USE OF FUNDS

After receiving an eligible sharing request from a member or a provider, Trinity HealthShare will assign the eligible expense(s) for sharing, less the amount of personal responsibility required, called the Member Shared Responsibility Amount (MSRA).

Voluntary "monthly contributions" are received from each member, each month. Up to 30% of membership contributions may be applied towards administration of Trinity HealthShare programs, charitable causes, or general overhead costs. This does not include distribution compensation. Administrative costs are subject to change by Trinity HealthShare and may be applied towards other charitable causes or general overhead costs.

HCSM TAX MATTERS

Members should always consult with a tax professional to determine whether participation will have tax implications.

SPECIFIC PROGRAM DISCLOSURES

Please refer to program member guides for specific details about contributions, expenses eligible for sharing per program, limitations, exclusions and requirements for sharing eligibility: http://guides.trinityhealthshare.org/.

AUTHORIZATIONS

- I authorize Trinity HealthShare to collect the monthly contribution amount as a recurring monthly transaction.
- I authorize the monthly contribution amount to be processed immediately upon completion of my enrollment.

ACKNOWLEDGMENT

- I understand that the enrollment fee will be refunded automatically if all individuals on my enrollment form fail to attest to the Trinity Statement of Beliefs or if I withdraw my enrollment prior to my membership effective date.
- I understand that the enrollment fee will not be refunded if, in the course of enrolling, I fail to respond to written or verbal inquiries from Trinity for more than sixty days.
- I understand that I have requested voluntary participation in a Trinity HCSM program.
- I understand Trinity has the authorization to contact providers to request the release of medical records on behalf of the member.
- I affirm that the name and personal information provided on this form are true and correct.
- I affirm that I understand and accept the disclosures presented above.
- I understand that Trinity HealthShare, Inc. and its affiliates have the authority, under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), to request your medical records to facilitate the sharing of medical expenses.

STATE LEGAL NOTICES

LEGAL NOTICES

The following legal notices are required by state law, and are intended to notify individuals that health care sharing ministry programs are not insurance, and that the ministry does not provide any guarantee or promise to pay your medical expenses.

GENERAL LEGAL NOTICE

This organization facilitates the sharing of medical expenses but is not an insurance company, and neither its guidelines nor program of operation is an insurance policy. Sharing is available for all eligible medical expenses; however, this program does not guarantee or promise that your medical bills will be paid or assigned to others for payment. Whether anyone chooses to pay your medical bills will be totally voluntary. As such, this program should never be considered as a substitute for an insurance policy. Whether you or your provider receive any payments for medical expenses and whether or not this program continues to operate, you are always liable for any unpaid bills. This health care sharing ministry is not regulated by the State Insurance Departments. You should review this organization's guidelines carefully to be sure you understand any limitations that may affect your personal medical and financial needs.

STATE SPECIFIC NOTICES

Alabama Code Title 22-6A-2

Notice: The organization facilitating the sharing of medical expenses is not an insurance company, and neither its guidelines nor program of operation is an insurance policy. Whether anyone chooses to assist you with your medical bills will be totally voluntary because no other participant will be compelled by law to contribute toward your medical bills. As such, participation in the organization or a subscription to any of its documents should never be considered to be insurance. Regardless of whether you receive any payment for medical expenses or whether this organization continues to operate, you are always personally responsible for the payment of your own medical bills.

Arizona Statute 20-122

Notice: The organization facilitating the sharing of medical expenses is not an insurance company and the ministry's guidelines and program of operation are not an insurance policy. Whether anyone chooses to assist you with your medical bills will be completely voluntary because participants are not compelled by law to contribute toward your medical bills. Therefore, participation in the ministry or a subscription to any of its documents should not be considered to be insurance. Regardless of whether you receive any payment for medical expenses or whether this ministry

continues to operate, you are always personally responsible for the payment of your own medical bills.

Arkansas Code 23-60-104.2

Notice: The organization facilitating the sharing of medical expenses is not an insurance company and neither its guidelines nor program of operation is an insurance policy. If anyone chooses to assist you with your medical bills, it will be totally voluntary because participants are not compelled by law to contribute toward your medical bills. Participation in the organization or a subscription to any of its documents should never be considered to be insurance. Regardless of whether you receive a payment for medical expenses or if this organization continues to operate, you are always personally responsible for the payment of your own medical bills.

Florida Statute 624.1265

Trinity HealthShare, Inc. is not an insurance company, and membership is not offered through an insurance company. Trinity HealthShare, Inc. is not subject to the regulatory requirements or consumer protections of the Florida Insurance Code.

Georgia Statute 33-1-20

Notice: The organization facilitating the sharing of medical expenses is not an insurance company, and neither its guidelines nor program of operation is an insurance policy. Whether anyone chooses to assist you with your medical bills will be totally voluntary because no other participant will be compelled by law to contribute toward your medical bills. As such, participation in the organization or a subscription to any of its documents should never be considered to be insurance. Regardless of whether you receive any payment for medical expenses or whether this organization continues to operate, you are always personally responsible for the payment of your own medical bills.

Idaho Statute 41-121

Notice: The organization facilitating the sharing of medical expenses is not an insurance company, and neither its guidelines nor program of operation is an insurance policy. Whether anyone chooses to assist you with your medical bills will be totally voluntary because no other participant will be compelled by law to contribute toward your medical bills. As such, participation in the organization or a subscription to any of its documents should never be considered to be insurance. Regardless of whether you receive any payment for medical expenses or whether this organization continues to operate, you are always personally responsible for the payment of your own medical bills.

Illinois Statute 215-5/4-Class 1-b

Notice: The organization facilitating the sharing of medical expenses is not an insurance company, and neither its guidelines nor program of operation constitute or create an insurance policy. Any assistance you receive with your medical bills will be totally voluntary. As such, participation in the organization or a subscription to any of its documents should never be considered to be insurance. Whether or not you receive any payments for medical expenses and whether or not this organization continues to operate, you are always personally responsible for the payment of your own medical bills.

Indiana Code 27-1-2.1

Notice: The organization facilitating the sharing of medical expenses is not an insurance company, and neither its guidelines nor its program of operation is an insurance policy. Any assistance you receive with your medical bills will be totally voluntary. Neither the organization nor any other participant can be compelled by law to contribute toward your medical bills. As such, participation

in the organization or a subscription to any of its documents should never be considered to be insurance. Whether or not you receive any payments for medical expenses and whether or not this organization continues to operate, you are always personally responsible for the payment of your own medical bills.

Kentucky Revised Statute 304.1-120 (7)

Notice: Under Kentucky law, the religious organization facilitating the sharing of medical expenses is not an insurance company, and its guidelines, program of operation, or any other document of the religious organization do not constitute or create an insurance policy. Participation in the religious organization or a subscription to any of its documents shall not be considered insurance. Any assistance you receive with your medical bills will be totally voluntary. Neither the organization nor any participant shall be compelled by law to contribute toward your medical bills. Whether or not you receive any payments for medical expenses, and whether or not this organization continues to operate, you shall be personally responsible for the payment of your medical bills.

Louisiana Revised Statute Title 22-318,319

Notice: The ministry facilitating the sharing of medical expenses is not an insurance company. Neither the guidelines nor the program of operation of the ministry constitutes an insurance policy. Financial assistance for the payment of medical expenses is strictly voluntary. Participation in the ministry or a subscription to any publication issued by the ministry shall not be considered as enrollment in any health insurance program or as a waiver of your responsibility to pay your medical expenses.

Maine Revised Statute Title 24-A, §704, sub-§3

Notice: The organization facilitating the sharing of medical expenses is not an insurance company and neither its guidelines nor program of operation is an insurance policy. Whether anyone chooses to assist you with your medical bills will be totally voluntary because no other participant will be compelled by law to contribute toward your medical bills. Participation in the organization or a subscription to any of its documents should never be considered to be insurance. Regardless of whether you receive payment for medical expenses or whether this organization continues to operate, you are always personally responsible for the payment of your own medical bills.

Mississippi Title 83-77-1

Notice: The organization facilitating the sharing of medical expenses is not an insurance company, and neither its guidelines nor program of operation is an insurance policy. Whether anyone chooses to assist you with your medical bills will be totally voluntary because no other participant will be compelled by law to contribute toward your medical bills. As such, participation in the organization or a subscription to any of its documents should never be considered to be insurance. Regardless of whether you receive any payment of medical expenses or whether this organization continues to operate, you are always personally responsible for the payment of your own medical bills.

Missouri Section 376.1750

Notice: This publication is not an insurance company nor is it offered through an insurance company. Whether anyone chooses to assist you with your medical bills will be totally voluntary, as no other subscriber or member will be compelled to contribute toward your medical bills. As such, this publication should never be considered to be insurance. Whether you receive any payments for medical expenses and whether or not this publication continues to operate, you are alwayspersonally responsible for the payment of your own medical bills.

Nebraska Revised Statute Chapter 44-311

IMPORTANT NOTICE. This organization is not an insurance company, and its product should never be considered insurance. If you join this organization instead of purchasing health insurance, you will be considered uninsured. By the terms of this agreement, whether anyone chooses to assist you with your medical bills as a participant of this organization will be totally voluntary, and neither the organization nor any participant can be compelled by law to contribute toward your medical bills. Regardless of whether you receive payment for medical expenses or whether this organization continues to operate, you are always personally responsible for the payment of your own medical bills. This organization is not regulated by the Nebraska Department of Insurance. You should review this organization's guidelines carefully to be sure you understand any limitations that may affect your personal medical and financial needs.

New Hampshire Section 126-V:1

IMPORTANT NOTICE: This organization is not an insurance company, and its product should never be considered insurance. If you join this organization instead of purchasing health insurance, you will be considered uninsured. By the terms of this agreement, whether anyone chooses to assist you with your medical bills as a participant of this organization will be totally voluntary, and neither the organization nor any participant can be compelled by law to contribute toward your medical bills. Regardless of whether you receive payment for medical expenses or whether this organization continues to operate, you are always personally responsible for the payment of your own medical bills. This organization is not regulated by the New Hampshire Insurance Department. You should review this organization's guidelines carefully to be sure you understand any limitations that may affect your personal medical and financial needs.

North Carolina Statute 58-49-12

Notice: The organization facilitating the sharing of medical expenses is not an insurance company and neither its guidelines nor its program of operation is an insurance policy. Whether anyone chooses to assist you with your medical bills will be voluntary. No other participant will be compelled by law to contribute toward your medical bills. As such, participation in the organization or a subscription to any of its documents should never be considered to be insurance. Regardless of whether you receive any payment for medical expenses or whether this organization continues to operate, you are always personally liable for the payment of your own medical bills.

Pennsylvania 40 Penn. Statute Section 23(b)

Notice: This publication is not an insurance company nor is it offered through an insurance company. This publication does not guarantee or promise that your medical bills will be published or assigned to others for payment. Whether anyone chooses to pay your medical bills will be totally voluntary. As such, this publication should never be considered a substitute for insurance. Whether you receive any payments for medical expenses and whether or not this publication continues to operate, you are always liable for any unpaid bills.

South Dakota Statute Title 58-1-3.3

Notice: The organization facilitating the sharing of medical expenses is not an insurance company, and neither its guidelines nor program of operation is an insurance policy. Whether anyone chooses to assist you with your medical bills will be totally voluntary because no other participant will be compelled by law to contribute toward your medical bills. As such, participation in the organization or a subscription to any of its documents should never be considered to be insurance. Regardless of whether you receive any payments for medical expenses or whether this organization continues to operate, you are always personally responsible for the payment of your own medical bills.

Texas Code Title 8, K, 1681.001

Notice: This health care sharing ministry facilitates the sharing of medical expenses and is not an insurance company, and neither its guidelines nor its program of operation is an insurance policy. Whether anyone chooses to assist you with your medical bills will be totally voluntary because no other participant will be compelled by law to contribute toward your medical bills. As such, participation in the ministry or a subscription to any of its documents should never be considered to be insurance. Regardless of whether you receive any payment for medical expenses or whether this ministry continues to operate, you are always personally responsible for the payment of your own medical bills. Complaints concerning this health care sharing ministry may be reported to the office of the Texas attorney general.

Virginia Code 38.2-6300-6301

Notice: This publication is not insurance, and is not offered through an insurance company. Whether anyone chooses to assist you with your medical bills will be totally voluntary, as no other member will be compelled by law to contribute toward your medical bills. As such, this publication should never be considered to be insurance. Whether you receive any payments for medical expenses and whether or not this publication continues to operate, you are always personally responsible for the payment of your own medical bills.

Wisconsin Statute 600.01 (1) (b) (9)

ATTENTION: This publication is not issued by an insurance company, nor is it offered through an insurance company. This publication does not guarantee or promise that your medical bills will be published or assigned to others for payment. Whether anyone chooses to pay your medical bills is entirely voluntary. This publication should never be considered a substitute for an insurance policy. Whether or not you receive any payments for medical expenses, and whether or not this publication continues to operate, you are responsible for the payment of your own medical bills.

Trinity HealthShare programs are not available in AK, CO, CT, HI, MA, MD, ME, MT, ND, NH, OR, PA, PR, SD, TX, VT, WA, WY or Washington, D.C. Limitation subject to change without prior notice. Due to regulatory limitations regarding compensation, Trinity HealthShare programs will no longer be sold in Massachusetts or Pennsylvania.

19THS130_1226

Payment Method

Type: ACH Bank Draft
Name: [redacted]
Routing: [redacted]
Account: [redacted]

Electronic Signature

By electronically acknowledging this authorization, I acknowledge that I have read and agree to the terms and conditions set forth in this agreement.

DEFENDANT'S REPLY BRIEF IN SUPPORT OF ITS MOTION TO DISMISS, OR ALTERNATIVELY, TO COMPEL ARBITRATION

EX. E

STATE OF WASHINGTON

OFFICE OF THE INSURANCE COMMISSIONER

In the Matter of ONESHARE HEALTH, LLC, Respondent.	Order Nos. 20-0250 & 20-0252 **DECLARATION OF TYLER HOCHSTETLER IN SUPPORT OF RESPONDENT'S MOTION TO STAY CEASE AND DESIST ORDER AND REQUEST FOR BRIEFING SCHEDULE**

I, Tyler Hochstetler, declare as follows:

1. I am over the age of eighteen years and am competent to testify. I make this declaration based on my personal knowledge.

2. I am the Chairman of OneShare International, d/b/a Anabaptist Healthshare ("AHS") and the parent of OneShare Health, LLC ("OneShare"), the Respondent in this case. I am also an attorney with a practice including health care sharing ministry law and compliance. I have been a board member at all times since the formation of AHS.

3. OneShare is a health care sharing ministry ("HCSM") that facilitates medical cost sharing among its members by coordinating member contributions and assigning those contributions to satisfy the medical bills of other members of the group.

4. OneShare's sharing model is distinct from insurance: there is no assumption of risk, no promise to pay, and no guarantee of coverage. OneShare merely facilitates the sharing

ORRICK, HERRINGTON & SUTCLIFFE LLP
701 Fifth Avenue, Suite 5600
Seattle, Washington 98104-7097
+1 206 839 4300

of medical expenses between those who share Biblical beliefs and who choose to participate as members of the program.

5. OneShare is a nonprofit subsidiary of its parent corporation, OneShare International d/b/a Anabaptist Healthshare ("AHS"), a section 501(c)(3) religious corporation under the Internal Revenue Code of 1986. Because AHS is OneShare's sole member, OneShare is disregarded as a separate entity by the IRS, both for purposes of taxation and for whether OneShare qualifies as a charitable organization for purposes of section 501(c)(3).

6. Biblical principles of faith are the foundation of OneShare's ministry. On the home page of its website, OneShare provides the following introduction:

> OneShare Health exists as a witness to the love and faithfulness of God as He provides for the medical needs of His children. Membership in OneShare Health is open to everyone who agrees with our core biblical principles relating to life, health, and caring for others, as evidenced in our shared Statement of Beliefs. By contributing their monthly membership amounts, members are sharing one another's medical bills and demonstrating the love of God to the entire community. This sharing also demonstrates that the community can come together in mutual love and respect.

7. OneShare's Biblical principles are the basis for its ministry. Those principles are sincere, strong, and fundamental to OneShare's operations.

8. Each member of OneShare must agree and explicitly attest to OneShare's Statement of Beliefs. OneShare's members share with one another (and with AHS's members) a common set of Biblical beliefs that drive the HCSM and the facilitation of sharing among the members. These beliefs are rooted in Scripture including Galatians 6:2, which reminds us that we should "[c]arry each other's burdens, and in this way you will fulfill the law of Christ." Galatians 6:2. OneShare's Statement of Beliefs can be reviewed on its website at https://www.onesharehealth.com/en/about (quoting Scripture and summarizing OneShare's Statement of Beliefs shared by all members).

9. OneShare's members retain membership in the organization even after they develop a medical condition.

10. While some audits were delayed for reasons beyond OneShare's control, and

there have been complications with the Unity financials resulting from the Georgia litigation with Aliera, AHS has completed audits for 2015, 2016, 2017, and 2018, and is working with its CPA toward an early completion and issuance of its 2019 audit.

11. On May 27, 2015, pursuant to 45 CFR § 155.615 (verifications for exemption), I wrote Benjamin L. Walker, Director of the Eligibility Policy and Operations Branch for the U.S. Department of Health & Human Services, applying for recognition that AHS, OneShare's parent, met all of the requirements set forth in 26 U.S.C. § 5000A(d)(2)(B)(ii). Such verification meant that AHS's members would be exempt from the individual mandate of the Affordable Care Act and its associated tax penalty. A copy of AHS's application letter is attached as **Exhibit A**.

12. On July 14, 2015, the U.S. Center for Medicare & Medicaid Services ("CMS") approved the application, determining that AHS was an HCSM under Section 5000A of the Internal Revenue Code (26 U.S.C. § 5000A). A copy of CMS's determination letter is attached as **Exhibit B**.

13. On November 9, 2017, on behalf of AHS, pursuant to the requirement in the exemption letter, I wrote Mr. Walker again providing notification that AHS had created a subsidiary, then called Unity Healthshare, but today OneShare. In that letter, I notified CMS of AHS's plans to use Unity to open "its doors of sharing to a broader base outside the Anabaptist community" and "make a bigger impact for Jesus Christ through this Ministry." A copy of AHS's notification letter is attached as **Exhibit C**. AHS did not receive any objection from CMS regarding Unity's (now OneShare) operation as an HCSM.

14. On July 7, 2015, the U.S. Internal Revenue Service determined that Anabaptist Healthshare is a 501(c)(3) tax-exempt organization. A copy of the IRS's determination letter is attached as **Exhibit D**.

15. This health care sharing ministry can trace its history to 1999, and to many years prior to that. In 1959, three Anabaptist churches agreed to merge into one congregation and build

a meeting house for church services. Elam Hochstetler, my great-grandfather, was ordained as one of the first ministers of that church. That church has continuously shared medical expenses for many years prior to 1999 and has a CMS letter for its own sharing group. Carrying on this sharing tradition, Samuel Hochstetler, my grandfather, was ordained in a Mennonite congregation in Virginia in 1959 as one of the first ministers of that church. That church has continuously shared medical expenses for many years prior to 1999 and has a CMS letter for its own sharing group. Carrying on this sharing tradition, Eldon Hochstetler, my father, was ordained in another Mennonite congregation in Virginia as one of the first ministers of that church in 1998. That church (named Gospel Light Mennonite Church) has continuously shared medical expenses prior to 1999 both at a local church level and through Gospel Light Mennonite Church Medical Aid Plan. My father, my grandfather, my great-grandfather, and I all shared the cherished religious practice of health care sharing. As my father and I organized AHS, we continued the sharing traditions of our forefathers. The charter members of AHS included members of Gospel Light Mennonite Church that had a longstanding sharing history at that church dating back to the 1990's.

16. Besides contributing to the diverse array of healthcare options available to consumers, OneShare also ministers to its members' spiritual needs and those of the broader community. For example, OneShare maintains a "prayer line" that allows members to submit prayer requests to its ministry team either over the phone or through OneShare's website.

17. I declare under penalty of perjury under the laws of the state of Washington that the foregoing is true and correct to the best of my knowledge and belief.

Executed at Madison, Virginia this 21st day of April, 2020.

Tyler Hochstetler

Hochstetler Exhibit A

TYLER W. HOCHSTETLER, ESQ.
2159 BLUE SPRUCE DRIVE, CULPEPER, VA 22701
VOICE: (540) 718-9366, EMAIL: HOCHSTETLERLAW@GMAIL.COM

May 27, 2015

Benjamin L. Walker, Director
Eligibility Policy and Operations Branch
DHHS/CMS/OA/CCIIO/EPOG
7500 Security Boulevard, Room 738G.05
Bethesda, Maryland 21244

Also sent *via* email to: benjamin.walker@cms.hhs.gov

Re: Anabaptist Healthshare (Mennonite Aid Plan)
1552 Elly Road
Aroda, Virginia 22709
Submission of Materials for Recognition as a Health Care Sharing Ministry

Dear Mr. Walker:

I represent Anabaptist Healthshare, a traditional Mennonite sharing entity which is carrying on the longstanding Amish and Mennonite tradition of sharing and bearing healthcare needs, especially for missionaries, volunteers, and employees of nonprofit Mennonite ministries.

The term "Anabaptist" is used interchangeably with the terms "Amish" or "Mennonite."[1] In order to continue the historic healthcare sharing tradition of the Anabaptists in today's regulatory and statutory climate, Anabaptist Healthshare seeks to be recognized by HHS in accordance with *CFR Title 45: Public Welfare § 155.615(c)(2) Verification process related to eligibility for exemptions*: "To be considered a health care sharing ministry for the purposes of this subpart, an organization must submit information to HHS that substantiates the organization's compliance with the standards specified in section 5000A(d)(2)(B)(ii) of the Code."

As this letter and the attached Checklist reveal, Anabaptist Healthshare complies with each of the standards contained within 26 U.S.C. § 5000A(d)(2)(B).

Standard I:
26 U.S.C. § 5000A(d)(2)(B)(ii)(I)

Anabaptist Healthshare is an organization which is described in section 501(c)(3) and is exempt from taxation under section 501(a).

Anabaptist Healthshare is an integrated auxiliary of the Beachy Amish-Mennonite association of churches. The IRS "Instructions for Form 1023" state that, "Churches, including synagogues, temples, and mosques [and] Integrated auxiliaries of churches and conventions or associations of churches" do not need to file Form 1023 in order to be exempt from taxation under § 501(a).

[1] The Anabaptist movement originated in 1525. There are seven distinct Anabaptist traditions with their own separate origins and histories: the Swiss Mennonites (1525), Russian Mennonites (1536), Hutterites (1528), Amish (1693-94), Brethren (1708), Apostolic Christians (1831-34), and Bruderhof (1920).

Further, Anabaptist Healthshare is applying for formal recognition as a 501(c)(3) entity with the IRS. While its application is pending, Anabaptist Healthshare is permitted to operate as a tax-exempt, 501(c)(3) organization. The IRS has published a guide for tax-exempt organizations titled "Applying for 501(c)(3) Tax-Exempt Status." At page 10 of the guide, the IRS enunciates that, "While an organization's application is waiting for processing by the IRS, the organization may operate as a tax-exempt organization."[2]

Additionally, the judiciary has specifically confirmed the tax-exempt status of Mennonite churches and their Medical Aid Plans. For example, in *Bethel Conservative Mennonite Church v. Comm'r*, 746 F.2d 388 (7th Cir. 1984), the U.S. Court of Appeals found that a Mennonite church whose members pooled funds to share each other's medical needs was exempt from taxation under §§ 501(a) and 501(c)(3).

Standard II:
26 U.S.C. § 5000A(d)(2)(B)(ii)(II)

The members of Anabaptist Healthshare share a common set of ethical or religious beliefs and their medical expenses are shared in accordance with those beliefs without regard to the State in which a member resides or is employed.

The members of Anabaptist Healthshare share a common set of ethical and religious beliefs and their medical expenses are shared in accordance with those beliefs.

Anabaptist Healthshare strives to protect and conserve the biblical traditions of the original Anabaptist movement which began during the persecutions of Europe in the sixteenth century. Anabaptist Healthshare coordinates health care sharing by channeling contributions from Amish or Mennonite entities and individuals to cover the medical needs of its members. Anabaptist Healthshare seeks to provide no-cost or low-cost health care sharing for missionaries, volunteers, and employees of nonprofit Anabaptist ministries. It coordinates sharing support from within the Anabaptist community to make this possible.

One unifying similarity among traditional Mennonite communities is adherence to the *Dordrecht Confession of Faith* (1632). The *Dordrecht Confession of Faith* is a statement of religious beliefs adopted by Dutch Mennonite leaders at a meeting in Dordrecht, the Netherlands, on April 21st, 1632.

One of the core provisions of the *Dordrecht Confession of Faith* is Article V, "The Law of Christ, i.e., the Holy Gospel or the New Testament:"

> We also believe and confess that before His ascension He instituted His New Testament, and, since it was to be and remain an eternal Testament, that He confirmed and sealed the same with His precious blood, and gave and left it to His disciples, yea, charged them so highly with it, that neither angel nor man may alter it, nor add to it nor take away from it; and that He caused the same, as containing the whole counsel and will of His heavenly Father, as far as is necessary for salvation to be proclaimed in His name by His beloved apostles, messengers, and ministers -- whom He called, chose, and sent into all the world for that purpose -- among all peoples, nations, and tongues; and repentance and remission of sins to be preached and testified of; and that He

[2] See, http://www.irs.gov/pub/irs-pdf/p4220.pdf.

> accordingly has therein declared all men without distinction, who through faith, as obedient children, heed, follow, and practice what the same contains, to be His children and lawful heirs; thus excluding no one from the precious inheritance of eternal salvation, except the unbelieving and disobedient, the stiff-necked and obdurate, who despise it, and incur this through their own sins, thus making themselves unworthy of eternal life.

Mennonites, or "Anabaptists," can trace their origins all the way back to Martin Luther and the Reformation in Europe in the sixteenth century. The *Dordrecht Confession of Faith* arose out of that transitional time and was itself an influential part of the Radical Reformation.

Martin Luther began a German reformation movement in 1517 by nailing his ninety-five theses to the door of the Castle Church of Wittenberg. This Reformation challenged the hierarchies and doctrines of the official state church in that era. Members of the Reformation objected to state church practices such as the selling of indulgences by church clergy, and desired to have the Bible fully translated into their own language so that every common person could read it.

As the Reformation progressed and expanded, several student ministers in the Reformation began studying the Scriptures for themselves and began to develop their own religious convictions. They became dissatisfied with the Reformation movement, but they also objected to the nature and hierarchy of the official state church. They particularly denounced the state church practice of infant baptism, and they began the practice of rebaptism for Christians who wished to publicly express their faith after becoming adults.

This group of Christians later became known as "Anabaptists" because of their practice of rebaptism. Mennonites derive their name from an influential leader of the Anabaptist movement in Europe during the sixteenth century. The Anabaptist leader's name was Menno Simons (1496-1561). Today, the term "Mennonite" is used interchangeably with the term "Anabaptist."[3]

Sadly, many Mennonites have paid for their ethical and religious beliefs with their lives. Most historians state, in fact, that the history of Mennonites is a history of persecution. The sixteenth century official state church viewed the Anabaptist/Mennonite movement as a theological and political threat to its existence, and it began persecuting and killing Mennonites for their faith. Between 1527 and 1550, more than two thousand Mennonites were martyred for their faith.

During persecution, Mennonites held church services in secret, clinging to their ethical and religious beliefs to the death. For some, it meant burning at the stake. It was in this closely-knit circle of persecuted believers that the concept of caring for one another was transfused into the lifeblood of the Mennonite faith.

Those early Mennonites believed in a literal interpretation of the Bible and as they read and studied the Scriptures, they developed unparalleled ethical and religious convictions, embracing as one of their core beliefs that they should care for one another.

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[3] The Anabaptist movement originated in 1525. There are seven distinct Anabaptist traditions with their own separate origins and histories: the Swiss Mennonites (1525), Russian Mennonites (1536), Hutterites (1528), Amish (1693-94), Brethren (1708), Apostolic Christians (1831-34), and Bruderhof (1920).

The ancestry of nearly every member of Anabaptist Healthshare can be directly traced to European countries such as Germany, Switzerland, or the Netherlands. Their ancestors fled successive persecutions in search of a country where they could peaceably assemble without the need for secrecy or catacombs.

After five centuries of this faith tradition and the refining fire of persecution for that faith, the members of Anabaptist Healthshare still believe in a literal interpretation of the Bible. They still believe that caring for one another can and should include sharing one another's needs. When Jesus said to "Love your neighbor as yourself," members of Anabaptist Healthshare believe that Jesus was commanding them to care for one another.

One scriptural expression of their belief is found in Galatians 6:2 which says believers are to, "Bear one another's burdens, and so fulfil the law of Christ."

Mennonites believe in caring for each and every member, including those with pre-existing medical conditions. Many traditional Mennonites believe they are following the teachings of Jesus by sharing and "bearing" one another's healthcare needs. The Mennonites bore one another's burdens in Europe in the sixteenth century, and Mennonites still believe in sharing one another's health care burdens.

Anabaptist Healthshare wishes to continue the centuries-old Anabaptist tradition of health care sharing and to "so fulfill the law of Christ." The core ethical beliefs of traditional Mennonites mobilize their actions, and they relate to one another in community because of them. The concept of *koinonia*, or community, is a core tenet of both the Amish and Mennonite faiths, a commonly-held doctrine that binds together the community of believers.

All members of Anabaptist Healthshare are eligible to participate, without regard to the States in which the members reside or are employed. Anabaptist Healthshare does not limit coverage to its members based on geographical location.

Standard III: 26 U.S.C. § 5000A(d)(2)(B) (ii)(III)

The members of Anabaptist Healthshare retain their membership even after they develop a medical condition.

There is nothing in the history or activity of the Anabaptist Healthshare health care sharing process that would cause a member of Anabaptist Healthshare to lose their membership because they have developed a medical condition.

There is nothing in the Anabaptist Healthshare program, process or membership materials that would permit the Anabaptist Healthshare administration to revoke a person's membership in Anabaptist Healthshare because they have developed a medical condition.

Standard IV:
26 U.S.C. § 5000A(d)(2)(B) (ii)(IV)

Anabaptist Healthshare, or a predecessor, has been in existence at all times since before 1999, and medical expenses of its members, or a predecessor, have been shared continuously and without interruption since before 1999.

Mennonites have been sharing each other's medical expenses since the sixteenth century. They have not only shared medical expenses since before 1999, they have shared medical expenses since before 1599. The charter members of Anabaptist Healthshare have shared health care needs as members of Gospel Light Mennonite Church, which had itself

begun in 1995. As those members formed the Anabaptist Healthshare group, their health care needs continued to be shared without any interruption.

Coordinating sharing is today a core function of a local church just the same as it was in Jerusalem, Rome, and Philippi or for the Moravians during the Reformation. That concept of mutual sharing among churches is woven throughout the New Testament with one of the most succinct descriptions of it being found at II Corinthians 8:13-15 in which the Apostle Paul states, "Our desire is not that others might be relieved while you are hard pressed, but that there might be equality. At the present time your plenty will supply what they need, so that in turn their plenty will supply what you need. The goal is equality, as it is written: 'The one who gathered much did not have too much, and the one who gathered little did not have too little.'"[4]

The health care needs of the members of Anabaptist Healthshare, through its predecessor, have been shared for years ahead of the statutory demarcation point of December 31, 1999.

Standard V:
26 U.S.C. § 5000A(d)(2)(B)(ii)(V)

Anabaptist Healthshare will conduct an annual audit which is performed by an independent certified public accounting firm in accordance with generally accepted accounting principles and which will be made available to the public upon request.

Anabaptist Healthshare will conduct an annual audit which is performed by an independent certified public accounting firm in accordance with generally accepted accounting principles and which will be made available to the public upon request.

Attestation pursuant to 45 CFR 155.615(c)(2):

Anabaptist Healthshare attests that it will notify CMS/HHS in the event that there is any change in its status or operation that affects any of the information it has submitted for the purpose of requesting consideration as a health care sharing ministry pursuant to 45 CFR 155.615(c)(2), and that it will do so within 30 days of such change. (Please see the attached Attestation, signed by an authorized representative of Anabaptist Healthshare).

It is to be understood that this Attestation given on behalf of Anabaptist Healthshare is given as a simple statement of truth, rather than a swearing of an oath, in keeping with the *Dordrecht Confession of Faith*, Article XV: "Of the Swearing of Oaths," (1632):

> Concerning the swearing of oaths we believe and confess that the Lord Christ has set aside and forbidden the same to His disciples, that they should not swear at all, but that yea should be yea, and nay, nay; from which we understand that all oaths, high and low, are forbidden, and that instead of them we are to confirm all our promises and obligations, yea, all our declarations and testimonies of any matter, only with our word yea, in that which is yea, and with nay, in that

[4] See also, Romans 15:24-26, in which the Apostle Paul discusses sharing among the churches: "[W]henever I journey to Spain, I shall come to you. For I hope to see you on my journey, and to be helped on my way there by you, if first I may enjoy your company for a while. But now I am going to Jerusalem to minister to the saints. For it pleased those from Macedonia and Achaia to make a certain contribution for the poor among the saints who are in Jerusalem."

> which is nay; yet, that we must always, in all matters, and with everyone, adhere to, keep, follow, and fulfill the same, as though we had confirmed it with a solemn oath. And if we do this, we trust that no one, not even the Magistracy itself, will have just reason to lay a greater burden on our mind and conscience.

Summary and Conclusion

Anabaptist Healthshare will conduct an annual audit by an independent certified public accounting firm in accordance with generally accepted accounting principles. That audit will, of course, be made available to the public upon request.

Anabaptist Healthshare is appropriate to be recognized as a health care sharing ministry by HHS. We would be pleased to discuss with you any matters that you feel may assist you in your review.

Thank you, and should you have any comments or questions please do not hesitate to contact me.

Best Regards,

Tyler Hochstetler

Hochstetler Exhibit B

Received July 17, 2015

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Consumer Information and Insurance Oversight
200 Independence Avenue SW
Washington, DC 20201

CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES
CENTER FOR CONSUMER INFORMATION & INSURANCE OVERSIGHT

July 14, 2015

RE: Anabaptist Healthshare (Mennonite Aid Plan) – Review of Materials Submitted

Dear Mr. Hochstetler,

This letter conveys the results of our review of the materials submitted in connection with your request for consideration as a health care sharing ministry for the purposes of subpart G of 45 CFR part 155, which governs the granting of certificates of exemption from the shared responsibility payment under section 5000A of the Internal Revenue Code (the Code) by an Affordable Insurance Exchange (also known as a Health Insurance Marketplace).

Section 5000A of the Code, as added by the Patient Protection and Affordable Care Act (Affordable Care Act), establishes an exemption from the shared responsibility payment for members of a health care sharing ministry. Section 1311(d)(4)(H) of the Affordable Care Act specifies that one of the minimum functions of an Exchange is to grant certificates of exemption from the shared responsibility payment under section 5000A of the Code in certain categories. Section 1411(a)(4) of the Affordable Care Act specifies that the Secretary of Health and Human Services (Secretary) shall establish a program for determining whether to grant a certification of exemption from the shared responsibility payment for certain categories of exemptions listed in section 5000A of the Code, including the exemption for members of a health care sharing ministry. The Secretary established this program in part through the process described in 45 CFR 155.615(c)(2)[1], which provides that to be considered a health care sharing ministry for the purposes of certificates of exemption provided by an Exchange, an organization must submit information to HHS that substantiates the organization's compliance with the standards specified in section 5000A(d)(2)(B)(ii) of the Code.

Section 5000A(d)(2)(B)(ii)(I) – (V) specifies that, "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) where members of which share a common set of ethical or religious beliefs and share medical expenses among members in accordance to these beliefs 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,

[1] 78 FR 39494, 39527 (July 1, 2013).

(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."

Having completed the review of the materials you submitted dated May 27, 2015, the Centers for Medicare & Medicaid Services (CMS) has determined that Anabaptist Healthshare (Mennonite Aid Plan) has submitted sufficient information to substantiate its compliance with the standards specified in section 5000A(d)(2)(B)(ii) of the Code and will be considered a health care sharing ministry for the purposes of subpart G of 45 CFR part 155.

This determination is limited to Anabaptist Healthshare (Mennonite Aid Plan)'s compliance with standards relevant to an organization being considered a health care sharing ministry for the purposes of subpart G of 45 CFR part 155. As such, this determination does not supersede other relevant state or federal laws that govern the conduct of Anabaptist Healthshare (Mennonite Aid Plan). Furthermore, this determination does not reflect any decision by the Internal Revenue Service regarding Anabaptist Church (Mennonite Aid Plan)'s status as a health care sharing ministry or compliance with the Internal Revenue Code. Anabaptist Healthshare (Mennonite Aid Plan) should not inform its members or the general public that this determination provides any such rights or status other than those rights which flow from an organization being considered a health care sharing ministry for the purposes of subpart G of 45 CFR part 155, which relate strictly to an individual's eligibility under 45 CFR 155.605(d) to obtain from a Health Insurance Marketplace a certificate of exemption from the individual shared responsibility payment under section 5000A of the Internal Revenue Code.

Please note that if any change in your status or operation affects any of the information you have submitted to CMS for the purpose of requesting consideration as a health care sharing ministry pursuant to 45 CFR 155.615(c)(2), you must notify CMS within 30 days of such change. If your organization no longer meets the standards specified in section 5000A(d)(2)(B)(ii) of the Code, CMS may revoke this decision regarding the status of Anabaptist Healthshare (Mennonite Aid Plan) as a health care sharing ministry for the purposes of subpart G of 45 CFR part 155.

If you have any questions or concerns, please contact Ben Walker at benjamin.walker@cms.hhs.gov. Thank you for your cooperation.

Sincerely,

Kevin Counihan
Chief Executive Officer, Health Insurance Marketplace
Director, Center for Consumer Information & Insurance Oversight

Hochstetler Exhibit C

TYLER W. HOCHSTETLER, ESQ.
98 OAK PARK ROAD, MADISON, VIRGINIA 22727
VOICE: (540) 718-9366 EMAIL: HOCHSTETLERLAW@GMAIL.COM

November 9, 2017

Benjamin L. Walker, Director
Eligibility Policy and Operations Branch
DHHS/CMS/OA/CCIIO/EPOG
7500 Security Boulevard, Room 738G.05
Bethesda, Maryland 21244

Sent via email to: benjamin.walker@cms.hhs.gov

Re: Anabaptist Healthshare

Dear Mr. Walker:

I represent Anabaptist Healthshare, a nonprofit organization which was recognized by CMS as a health care sharing ministry on July 14, 2015.

Page 2 of the recognition letter we received from Mr. Counihan states: "Please note that if any change in your status or operation affects any of the information you have submitted to CMS for the purpose of requesting consideration as a health care sharing ministry pursuant to 45 CFR 155.615(c)(2), you must notify CMS within 30 days of such change."

On November 10, 2016, Anabaptist Healthshare notified CMS that it will be operating under the name "Unity Healthshare," and that Unity Healthshare will be a subsidiary of Anabaptist Healthshare.

To provide further clarity and specificity as to how that relationship functions, Unity Healthshare is a limited liability company (LLC) subsidiary of Anabaptist Healthshare, and it markets health care sharing ministry products to people who attest to the following Statement of Beliefs:

1. We believe that our personal rights and liberties originate from God and are bestowed on us by God.

2. We believe every individual has a fundamental religious right to worship God in his or her own way.

3. We believe it is our moral and ethical obligation to assist our fellow man when they are in need according to our available resources and opportunity.

4. We believe it is our spiritual duty to God and our ethical duty to others to maintain a healthy lifestyle and avoid foods, behaviors, or habits that produce sickness or disease to ourselves or others.

5. We believe it is our fundamental right of conscience to direct our own healthcare, in consultation with physicians, family, or other valued advisers.

Anabaptist Healthshare was started for the benefit of Anabaptists, and especially for those members of the Beachy Amish Mennonite constituency. Through Unity Healthshare, it has now opened its doors of sharing to a broader base outside of the Anabaptist community. Anyone who attests to the above Statement of Beliefs may apply

for membership in Unity Healthshare. As it continues to coordinate health care sharing, to plan a "prayer line" phone support system for its members, and to budget for charitable giving outreach, Anabaptist Healthshare desires to make a bigger impact for Jesus Christ through this ministry.

Anabaptist Healthshare desires to satisfy any CMS requirements for a health care sharing ministry, and should you have any comments or questions, please do not hesitate to contact me. An acknowledgment of receipt of this letter via the email address above would be appreciated.

Best Regards,

Tyler Hochstetler

Hochstetler Exhibit D

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: JUL 07 2015

ANABAPTIST HEALTHSHARE
1552 ELLY RD
ARODA, VA 22709

Employer Identification Number:
47-4084390
DLN:
17053152329005
Contact Person:
JULIE CHEN ID# 31261
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Public Charity Status:
509(a)(2)
Form 990 Required:
No
Effective Date of Exemption:
May 26, 2015
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Sincerely,

Tamera Ripperda

Director, Exempt Organizations

Letter 947