

**STATE OF NEW HAMPSHIRE  
INSURANCE DEPARTMENT**

**In Re: Adroit Health Group and Stephen Vaughn Jones  
Docket No.: Ins. No. 21-030-EP**

**ORDER TO SHOW CAUSE  
AND  
NOTICE OF HEARING**

The New Hampshire Insurance Department ("NHID") orders Adroit Health Group, LLC and Stephen Vaughn Jones ("Respondents") to show cause why the New Hampshire Insurance Commissioner should not revoke and/or suspend their New Hampshire non-resident insurance producer licenses and levy an administrative fine. In support of the Order to Show Cause and pursuant to RSA 541-A:31, RSA 400-A:17 *et seq.* and Ins Chapter 200, the NHID states as follows:

**STATEMENT OF FACTS**

1. Respondent Adroit Health Group ("AHG") is a licensed non-resident New Hampshire insurance producer with a National Producer License number of 17986716, with an address of 1575 Heritage Drive Suite 200, McKinney, Texas 75069, and an e-mail address of [compliance@adroithealthgroup.com](mailto:compliance@adroithealthgroup.com).
2. Respondent Stephen Vaughn Jones ("Jones") is the CEO and designated responsible licensed person ("DRLP") for AHG, and is a licensed non-resident New Hampshire insurance producer with a National Producer License number of 1207856, a business address of 1575 Heritage Drive Suite 200, McKinney, Texas 75069, and an e-mail address of [steve.jones@adroithealthgroup.com](mailto:steve.jones@adroithealthgroup.com).
3. On or about August 13, 2014, Homeland Health Care and Eagle Health Advisors were subject to an administrative proceeding by the Colorado Division of Insurance and fined \$500,000 for engaging in misrepresentation, unfair competition, deceptive practices, and for failing to report other state actions. At that time, Jones was the CEO and co-owner of Eagle Health Advisors and Homeland Health Care.
4. On May 11, 2016, Jones submitted a renewal application for NH licensure; as part of that application, Jones answered "No" to question 2 inquiring about ever having been involved in an administrative proceeding, though Jones had been the CEO and co-owner of Homeland Health Care and Eagle Health Advisors when it was subject to an administrative proceeding in Colorado.

5. Jones also submitted applications for renewal of his NH non-resident producer license on May 7, 2018, and May 18, 2020. On each application Jones answered "No" to question 2.
6. On June 24, 2016 AHG submitted an application for NH licensure; as part of that application, AHG answered "No" to question 2 inquiring about the business entity or any owner, partner, or director ever having been involved in an administrative proceeding, though Jones is the CEO of AHG, and was the CEO and co-owner of Eagle Health Advisors and Homeland Health Care when it was subject to an administrative proceeding in Colorado.
7. AGH submitted applications for renewal of its NH non-resident producer license on April 18, 2018, and April 3, 2020. On each application AHG answered "No" to question 2.
8. On or about August 13, 2020, Respondents entered into a consent agreement with Maryland. The consent agreement incorporated by reference an earlier order indicating that Respondent Jones failed to disclose an administrative action on his application for Maryland licensure, and that AHG had massively overcharged consumers on policies it sold in Maryland by as much as 1900% of the allowed premium, and sold unapproved policies in Maryland.
9. As a condition of that consent order in Maryland, the Respondents licenses were revoked in the state of Maryland and they were ordered to pay an administrative penalty of \$50,000 and restitution in the amount \$45,402.
10. On April 14, 2021, the NHID requested information from AHG about its business in NH via its e-mail at [compliance@adroithealthgroup.com](mailto:compliance@adroithealthgroup.com). The request was made pursuant to NH RSA 400-A:16. AHG failed to respond to that e-mail.
11. On April 30, 2021, the NHID requested information from AHG about its business in NH via its e-mail at [compliance@adroithealthgroup.com](mailto:compliance@adroithealthgroup.com) as well as via Jones's email at [steve.jones@adroithealthgroup.com](mailto:steve.jones@adroithealthgroup.com). The request was made pursuant to NH RSA 400-A:16. Respondents failed to respond to that e-mail.
12. On May 11, 2021, the NHID requested information from AHG about its business in NH via its e-mail at [compliance@adroithealthgroup.com](mailto:compliance@adroithealthgroup.com) as well as via Jones's email at [steve.jones@adroithealthgroup.com](mailto:steve.jones@adroithealthgroup.com), as well as via US mail at Respondents' business address of 1575 Heritage Drive Suite 200, McKinney, Texas 75069. The request was made pursuant to NH RSA 400-A:16. Respondents failed to respond to that request.

#### STATEMENT OF ISSUES

13. Whether Respondents violated NH RSA 402-J:12, I (h) by using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere when they massively overcharged Maryland consumers for policies by as much as 1900% of the allowed premium, and sold policies that were not approved for sale in Maryland.
14. Whether Respondents violated NH RSA 402-J:12, I(a) by providing incorrect, misleading, incomplete, or materially untrue information in the license applications in 2016, 2018, and 2020 when Respondents failed to notify the NHID of the prior administrative proceedings Jones was involved in.
15. Whether Respondents violated NH RSA 402-J:12, I(c) by obtaining a license through misrepresentation or fraud when they failed to notify the NHID of the prior administrative proceedings Jones was involved in.
16. Whether Respondents violated NH RSA 402-J:12, I (i) by having their insurance producer licenses suspended and revoked in other states.
17. Whether the Respondents violated NH RSA 402-J:12, I (b) by failing to provide to the NHID the information it requested pursuant to NH RSA 400-A:16.
18. The NHID reserves the right to amend this statement of issues upon reasonable notice to the Commissioner (or his designated Representative) and the Respondent.

#### **INSURANCE LAWS VIOLATED BY RESPONDENTS**

19. The NHID maintains the Respondent violated the following New Hampshire insurance law statutes: NH RSA 402-J:12, I (a), NH RSA 402-J:12, I (b), NH RSA 402-J:12, I (c), NH RSA 402-J:12, I (h), and NH RSA 402-J:12, I (i).
20. The NHID reserves the right to amend this list of insurance laws violated by the Respondent upon reasonable notice to the Commissioner (or his designated Representative) and the Respondents.

#### **PENALTY REQUESTED**

21. In the event that the Hearing Officer determines after an evidentiary hearing that the NHID sustained its burden of proof with respect to the allegations of fact and violations of law outlined above, the NHID requests that the Hearing Officer impose the following sanctions on the Respondent:

- a. Order revocation or suspension of the Respondents' New Hampshire non-resident producer license; and
  - b. Order the Respondents to pay a fine in an amount not to exceed \$2,500 per violation.
22. The NHID reserves the right to amend the penalty requested upon reasonable notice to the Commissioner (or his designated Representative) and the Respondents.

### NOTICE OF HEARING

23. An adjudicatory proceeding shall be commenced for the purpose of resolving the issues articulated above pursuant to RSA 541-A:31, RSA 400-A:17:6, *et seq.*, RSA 417:6, *et seq.*, and Ins 200. To the extent that the Department's rules do not address an issue of policy or procedures, the Department shall apply the N.H. Department of Justice Rules, Part 800.
24. The Respondents shall appear at Department on **Tuesday, July 20, 2021 at 10 AM**, at the Department's office located at 21 South Fruit Street, Suite 14, in Concord New Hampshire to participate in this adjudicatory proceeding and, if deemed appropriate, be subject to sanctions pursuant to RSA 402-J:12, I and RSA 400-A:15, III. Respondents' failure to appear at the time and place specified above may result in the hearing being held *in absentia* pursuant to RSA 400-A:19, VII, and sanctions may be imposed without further notice or an opportunity to be heard.
25. Emily Doherty, Esq. is appointed to act as Hearing Officer in this matter with all the authority within the scope of RSA 400-A:19 and Ins 203.01.
26. Linda Zalinskie shall serve as clerk to the Hearing Officer. The parties should direct all communications to Ms. Zalinskie, whose contact information is:

Linda Zalinskie, Clerk  
New Hampshire Insurance Department  
21 South Fruit Street, Suite 14  
Concord, NH 03301  
Tel: (603) 271-2460 Fax: (603)271-1406

Email: [linda.m.zalinskie@ins.nh.gov](mailto:linda.m.zalinskie@ins.nh.gov)

27. The Respondents have the right to be represented by a lawyer in this proceeding. However, the Respondents shall bear the cost of retaining said lawyer. Should the Respondents elect to retain a lawyer, their lawyer shall file a Notice of Appearance with Ms. Zalinskie, and said lawyer should do so at the earliest possible date. A copy of the NHID's Notice of Appearance form is enclosed with this Order.
28. Any party may request a transcript of the proceeding. The party requesting a transcript of the proceedings shall file a written request for a certified court reporter with the Hearing Officer at least 10 days prior to the scheduled hearing date. The costs incurred for the services of a certified court reporter shall be borne by the requesting party.
29. Joshua Hilliard, Esq. shall serve as staff advocate representing the interests of the NHID.
30. All routine procedural inquiries may be made by contacting Linda Zalinskie, Hearing Clerk, New Hampshire Insurance Department, 21 South Fruit Street, Suite 14, Concord NH 03301, (603) 271-2460, but that all other communications with the Hearing Officer and the Commissioner shall be in writing and filed as provided above. *Ex parte* communications are forbidden by statute and the Department's regulations.
31. A copy of this hearing notice shall be served upon Respondents by certified mail addressed to the mailing address on file with New Hampshire Insurance Department. See, RSA 400-A:14.

It is **SO ORDERED**.  
NEW HAMPSHIRE INSURANCE DEPARTMENT

Date:

5/27/2021

  
Christopher Nicolopoulos  
Insurance Commissioner

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and accurate copy of the foregoing Order to Show Cause and Notice of Hearing was sent this date by first-class mail, postage prepaid, and by certified mail, return receipt requested, to the Respondents at 1575 Heritage Drive Suite 200, McKinney, Texas 75069, the mailing and business addresses the Respondents maintain on file with the Department.

Date: 5/28/21

  
\_\_\_\_\_  
Joshua S. Hilliard, Esq.  
Compliance & Enforcement Counsel

**NEW HAMPSHIRE INSURANCE DEPARTMENT**

**ATTORNEY APPEARANCE or WITHDRAWAL**

Docket No. (if known): \_\_\_\_\_

Respondent Name or Case Name: \_\_\_\_\_

**APPEARANCE**

Please **ENTER** my appearance as  
Counsel for \_\_\_\_\_

I confirm that neither I nor any member of my  
law firm have been retained by the Department  
of Insurance or the Commissioner of Insurance.

**WITHDRAWAL**

Please **WITHDRAW** my appearance as  
Counsel for \_\_\_\_\_

Notice of Withdrawal sent to my client on:  
\_\_\_\_\_ at the following address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I hereby certify that I provided a copy of this original request to the Department and a copy to all other known parties to this matter in accordance with Ins 204.09.

**Signed:** \_\_\_\_\_

**Name:** \_\_\_\_\_ **NH Bar #:** \_\_\_\_\_

**Firm Name:** \_\_\_\_\_ **Email:** *(see also below)* \_\_\_\_\_

**Physical Address:** \_\_\_\_\_

**Mailing Address (if different):** \_\_\_\_\_

**Phone:** \_\_\_\_\_

**Email Consent:**  By checking this box, I consent to delivery by email in accordance with Ins 204.09(c). Please send communications and documents to the above email address.

**Date:** \_\_\_\_\_ **Signature:** \_\_\_\_\_

***If you do not consent to delivery by email, all communications will be sent to you by personal delivery at your physical address or by United States Postal Service first class mail to your mailing address.***