

STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of:

Case No. INS-22-0097

SEGURO MEDICO LLC dba QUICK
HEALTH, a Delaware Limited Liability
Company, and ARTHUR WALSH, an
Individual,

Respondents.

FINAL ORDER TO CEASE AND
DESIST, FINAL ORDER ASSESSING
CIVIL PENALTIES, FINAL ORDER
TO VOLUNTARILY SURRENDER
LICENSES AND PERMANENTLY
REFRAIN FROM SEEKING
RELICENSURE, AND CONSENT TO
ENTRY OF ORDER

THIS IS A FINAL ORDER

The Director of the Department of Consumer and Business Services for the State of Oregon (“Director”), acting in accordance with Oregon Revised Statutes (“ORS”) chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 743B, 744, 746, 748 and 750 (“Insurance Code”), has conducted an investigation into the insurance related activities of Seguro Medico LLC dba Quick Health (“Seguro”) and Arthur Walsh (“Walsh”) (collectively, “Respondents”) and determined that Respondents engaged in activities constituting violations of the Insurance Code.

Respondents wish to resolve and settle this matter with the Director.

Now, therefore, as evidenced by the authorized signatures subscribed on this Order, Respondents hereby CONSENT to entry of this Order upon the Director’s Findings of Fact and Conclusions of Law as stated hereinafter.

FINDINGS OF FACT

The Director FINDS that:

1. On March 5, 2020, Seguro was issued an Oregon nonresident business entity insurance producer license. Seguro’s national producer number is 19417328.
2. On February 4, 2020, Walsh was issued an Oregon nonresident insurance

Division of Financial Regulation
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1 producer license. Walsh’s national producer number is 7367021.

2 3. Seguro maintains a business address of Corporation Trust Center, 1209 N.
3 Orange St., Wilmington, DE 19801-1120 and a mailing address of 8 Morgan Road,
4 Sinking Spring, PA 19608.

5 4. At all relevant times, Walsh has been Seguro’s CEO, part-owner, and
6 Designated Responsible Licensed Producer (“DRLP”). His duties include conducting
7 employee trainings, overseeing compliance and sales-related issues, and directly
8 supervising Seguro’s customer service, verification, sales, and qualification managers.
9 Walsh also sells insurance products himself. Pursuant to ORS 744.059(2)(b), Walsh, as
10 DRLP, was responsible for Seguro’s compliance with the Insurance Code.

11 5. At all relevant times, a number of Seguro’s producers, including Walsh, held
12 appointments with Golden Rule Insurance Company (“Golden Rule”). Golden Rule is a
13 member of the UnitedHealthcare (“UHC”) family of insurers.

14 6. In or around 2021, UHC initiated an investigation against Seguro following
15 complaints associated with 39 members alleging that Seguro had: enrolled members in
16 insurance plans without their permission; made unauthorized credit card or premium
17 charges related to member enrollments; delivered unsolicited text messages falsely stating
18 that member plans was no longer in force or had lapsed; enrolled members without
19 completing the sales presentations; submitted applications that failed to disclose member
20 medical conditions; and provided inaccurate information to members about their plans
21 and/or benefits.

22 7. After receiving similar complaints against Seguro, the Oregon Division of
23 Financial Regulation (“Division”) initiated its own investigation on behalf of the Director.

24 Members Enrolled Without Their Knowledge or Misrepresentations Regarding Coverage

25 8. On or around April 29, 2020, Seguro producer Sarah Adams (“Adams”)
26 submitted a Golden Rule accident expense application on behalf of consumer IE. IE only



1 expense application on behalf of consumer JI. JI only intended to apply for dental
2 insurance and did not understand this application was being submitted on his behalf. In
3 addition, JI denies having ever communicated with Walsh despite Walsh’s name and
4 signature appearing on the application. JI eventually cancelled his policy.

5 15. On or around November 13, 2020, Oregon residents JO or SO spoke to Seguro
6 agent Quadell Spradley (“Spradley”) who told them that they would receive one policy that
7 covered prescriptions, pre-existing conditions, specialists, and lab tests, among other
8 things.

9 16. Seguro instead, under Walsh’s e-signature, submitted applications for multiple
10 policies which did not provide the coverage Seguro represented. Seguro also placed
11 coverage for an earlier effective date than requested, resulting in extra charges.

12 17. Upon learning that they did not receive the represented coverage, JO or SO
13 called Seguro dozens of times, and when Seguro took no action to address the errors by
14 March 8, 2021, JO filed a complaint with the Division.¹

15 18. On or around February 2, 2021, Oregon resident BA contacted Seguro via a live
16 lead in search of health insurance for her and her husband.

17 19. Instead of selling BA and her husband health insurance, Walsh sold her
18 “wellness concierge” memberships, which were discount plans.

19 20. When BA realized Walsh did not sell her health insurance, she immediately
20 cancelled and, notwithstanding repeated requests for a refund, BA still had not received a
21 refund by August 24, 2021, when she filed a complaint with the Division.²

22 21. Walsh, Brown, Adams, and/or Spradley received financial compensation in
23 connection with each of the foregoing insurance applications.

24 Inappropriate Text Communications

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26 ¹ Seguro subsequently refunded JO and SO.

² Seguro subsequently refunded BA.



1 22. From in or around 2020 through 2021, Seguro sent inaccurate text messages to
2 its consumer clients regarding the status of their insurance policies. The messages included
3 falsely stating that policies had lapsed for non-payment, were in imminent risk of lapsing,
4 or that clients needed to provide additional payment information to maintain their policies.

5 23. After cancelling his policy, as set forth in Paragraph (14), JI received
6 approximately three texts a week from Seguro falsely stating his policy had “lapsed” and
7 that he owed a \$39 balance on his premium. JI received approximately 30 such messages
8 along with related phone calls.

9 24. In an April 2021 interview with UHC, Walsh claimed Seguro conducted text
10 message campaigns for the purpose of “upselling” to add additional products and types of
11 coverage to its existing clients.

12 25. Seguro conducted text message campaigns for the purpose of upselling in
13 Oregon, including text messages to JO that incorrectly said her policy lapsed due to non-
14 payment.

15 False Statements in Sales Scripts

16 26. From in or around 2020 through 2021, Seguro’s producers utilized sales scripts
17 that included false information, including that:

- 18 A. Seguro worked with all 30+ A-rated insurance carriers;³
- 19 B. The producer delivering the script was one of the “top” agents in the
20 state and non-commissioned;⁴ and
- 21 C. The producer delivering the script had reviewed all available options
22 and determined that the consumer qualified for X number of policies.⁵

23 Inappropriate Use of Credentials

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25 ³ At no time has this been accurate.

25 ⁴ There was no basis to support the claim the producer was “top” rated. In addition, Seguro producers
received incentive-based compensation based on sales.

26 ⁵ In certain cases, the producers only offered a particular coverage and had not searched through an array of
options.

1 27. Seguro brokers submitted their UHC applications through an electronic portal
2 accessible via unique credentials assigned to each broker. In order to accurately identify
3 the broker associated with a particular application, and prevent the inappropriate sharing
4 of credentials that could enable unlicensed individuals to submit applications, brokers are
5 prohibited from sharing their credentials with one another.

6 28. From in or around April 2020 through May 2021, Walsh submitted 5,656
7 insurance applications through the UHC portal. This included 37 days in which he
8 submitted over 50 applications and six days in which he submitted over 100 applications.

9 29. In his April 2021 interview with UHC, Walsh claimed he submitted each of
10 these applications.

11 30. In a June 2022 interview with the Division, Walsh admitted other producers had
12 submitted some of the applications through his credentials but claimed he had been directed
13 by the portal's administrator to allow other producers to do so because of technical issues
14 with their credentials.

15 31. The portal's administrator denies directing Walsh to allow other producers to
16 access his credentials, as such sharing is prohibited.

17 Inappropriate Use of Producer License

18 32. On or around September 18, 2020, Brown resigned from Seguro.

19 33. From on or around September 19, 2020 through November 28, 2020, Seguro
20 submitted over one hundred UHC applications under Brown's name and license. Brown's
21 signature was forged to complete the applications, which were submitted without his
22 knowledge and/or consent.

23 Other States' Actions and Improper Reporting

24 34. On or around November 2, 2021, the Indiana Department of Insurance issued
25 an order against Walsh suspending his license for failing to provide a required list of
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1 appointments (“Indiana Order”).⁶

2 35. Walsh failed to report the Indiana Order within 30 days.⁷

3 36. On or around December 27, 2021, the Utah Insurance Department issued an
4 order against Seguro for selling six insurance policies in Utah without employing a Utah-
5 licensed insurance producer (“Utah Order”).⁸ Pursuant to the order, Seguro was assessed
6 a \$750 civil penalty.

7 37. Seguro failed to report the Utah Order to the Division within 30 days.⁹

8 38. On or around March 15, 2022, the Washington Insurance Commissioner
9 entered into a consent order with Walsh for failing to report the Indiana Order
10 (“Washington Order I”).¹⁰ Pursuant to the order, Walsh was assessed a \$250 civil penalty.

11 39. Walsh failed to report the Washington Order I to the Division within 30 days.¹¹

12 40. On or around March 31, 2022, the Pennsylvania Insurance Commissioner
13 entered into consent orders with Seguro and Walsh for, among other things, providing and
14 using false sales scripts, misidentifying their organization, allowing employees to use
15 Walsh’s and Brown’s name on insurance applications, and providing false information and
16 a forgery to the Nevada Department of Insurance.¹² The orders provided that Seguro and
17 Walsh licenses to “do the business of insurance are hereby surrendered.”

18 41. On or around April 22, 2022, the Washington Insurance Commissioner entered
19 into a consent order with Seguro for failing to report the Utah Order.¹³ Pursuant to the
20 order, Seguro was assessed a \$250 civil penalty.

21 42. On or around April 26, 2022, the Kansas Insurance Department issued an order
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23 ⁶ See Indiana Department of Insurance cause number 20886-AG21-1013-194.

24 ⁷ Walsh reported the order on or around March 10, 2022.

24 ⁸ See Utah Insurance Department case number 2021-4364.

25 ⁹ Seguro reported the order on or around February 10, 2022.

25 ¹⁰ See State of Washington Office of the Insurance Commissioner Order No. 22-0101.

25 ¹¹ Walsh reported the order on or around April 18, 2022.

26 ¹² See Pennsylvania Insurance Commissioner docket numbers CO22-03-024 and CO22-03-025.

26 ¹³ See State of Washington Office of the Insurance Commissioner Order No. 22-0125.



1 against Seguro for failing to timely report the Utah Order to them (“Kansas Order”).¹⁴

2 Pursuant to the order, Seguro was assessed a \$300 civil penalty.

3 43. Seguro failed to report the Kansas Order to the Division within 30 days.¹⁵

4 44. On or around April 27, 2022 the New Hampshire Insurance Department denied
5 Seguro’s application to renew its entity insurance producer license (“New Hampshire
6 License Denial”). The reasons given for the denial included Seguro:

7 A. Providing incorrect, misleading and/or materially untrue response to an
8 application background question;

9 B. Failing to report other states’ administrative actions; and

10 C. Failing to have a licensed DRLP.

11 45. On or around July 8, 2022, the Louisiana Department of Insurance issued an
12 order against Seguro and Walsh for failing to report the Kansas Order to them (“Louisiana
13 Order”). Pursuant to the order, Seguro and Walsh were jointly assessed a \$250 penalty.

14 46. On or around November 3, 2022, the Texas Department of Insurance canceled
15 Walsh’s license because he lacked a license in his resident state of Pennsylvania.

16 47. On or around March 20, 2023, the Iowa Insurance Commissioner issued Walsh
17 a notice of decision to deny the renewal of a non-resident producer license, finding that a
18 variety of actions demonstrated that Walsh lacked the “character or competence to . . . hold
19 an insurance producer license.”

20 48. On or around July 24, 2023, the Delaware Insurance Department entered into
21 an order with Walsh and Seguro resolving a subset of alleged violations of Delaware law,
22 reserving others alleged violations for hearing, and imposing an \$11,500 civil penalty.¹⁶

23 49. On or around November 21, 2023, the Wisconsin Officer of the
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25 ¹⁴ See Kansas Insurance Department docket number 92491.

26 ¹⁵ Seguro reported the order on or around July 13, 2022.

¹⁶ See Insurance Department of Delaware docket number 5066-2022, case number 188746.

1 Commissioner of Insurance entered into an order with Walsh and Seguro under which they
2 agreed to surrender their licenses effective December 15, 2023.¹⁷

3 Failure to Reply Truthfully to Division Inquiries and Update Address

4 50. In a June 2022 interview with and requested by the Division, Walsh did not
5 reply truthfully to Division inquiries, including by providing the following false
6 statements:

7 A. That he did not have any role with US Trifecta while being listed as the
8 Quality Assurance Officer for the entity;

9 B. That BA purchased coverage through Planstin Administration;

10 C. That America's Health Care Plan instructed Walsh to submit
11 applications originated from other agents through Walsh's link; and

12 D. That applications submitted under Brown's signature after he left
13 Seguro would either be postdated applications or declined payments that were
14 reprocessed.

15 51. In the June 2022 interview, Walsh also provided a different business address
16 than the one he had registered with the Division. Walsh did not update his address with the
17 Division within 30 days of the address change or the interview.

18 CONCLUSIONS OF LAW

19 The Director CONCLUDES that:

20 52. Seguro used coercive and/or dishonest practices, and demonstrated
21 incompetence, untrustworthiness, and/or financial irresponsibility in the conduct of
22 business in Oregon or elsewhere by:

23 A. Failing to adequately take its clients' insurance needs into account
24 and/or inform them of the insurance products for which they had purportedly
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26 ¹⁷ See Office of the Commissioner of Insurance (OCI) Case Nos. 23-C45163, 23-C45164.





1 applied, as set forth in Paragraphs (8) – (21);

2 B. Delivering excessive and inaccurate messages to its clients regarding
3 the status of their policies, as set forth in Paragraphs (22) – (25);

4 C. Utilizing sales scripts containing false information, as set forth in
5 Paragraph (26);

6 D. Using Walsh’s unique credentials to submit insurance applications for
7 other producers, as set forth in Paragraphs (14) and (27) – (31); and

8 E. Submitting over 100 insurance applications under Brown’s name and
9 license after he resigned from the company, as set forth in Paragraphs (32) – (33).

10 53. Walsh used coercive and/or dishonest practices, and demonstrated
11 incompetence, untrustworthiness, and/or financial irresponsibility in the conduct of
12 business in Oregon or elsewhere by:

13 A. Failing to adequately take his clients’ insurance needs into account
14 and/or inform them of the insurance products for which they had purportedly
15 applied, as set forth in Paragraphs (12) and (14);

16 B. Allowing his unique credentials to be used to submit insurance
17 applications for other producers, as set forth in Paragraphs (14) and (27) – (31); and

18 C. Failing to adequately administer his duties as DRLP by allowing the
19 conduct set forth in Paragraphs (8) – (33) to occur.

20 54. Because Respondents used coercive and/or dishonest practices, and
21 demonstrated the foregoing incompetence, untrustworthiness, and/or financial
22 irresponsibility in the conduct of business in Oregon or elsewhere by engaging in any or
23 all of the conduct identified in Paragraphs (52) and (53), the Director may revoke their
24 licenses pursuant to ORS 744.074(1)(h).

25 55. Seguro and Walsh violated insurance laws, rules, or orders in other States as set
26 forth in Paragraphs (34), (36), (38), (40) – (42), (44) – (45), and (47) – (48).



1 56. By failing to report the Utah Order and Kansas Order to the Division within 30
2 days of their respective issuances, Respondents violated ORS 744.089(1).

3 57. By failing to report the Indiana Order and Washington I Order to the Division
4 within 30 days, Walsh violated ORS 744.089(1).

5 58. By failing to provide an updated address within 30 days as set forth in Paragraph
6 (51), Walsh violated ORS 744.068(4)(a).

7 59. By enrolling members without their knowledge or making misrepresentations
8 regarding the scope of coverage as set forth in Paragraphs (8) through (21), Respondents
9 misrepresented the terms of policies issued or the advantages or benefits therein in violation
10 of ORS 746.075(1) and ORS 746.075(2)(a).

11 60. By selling concierge services instead of represented insurance as set forth in
12 Paragraph (19) – (21), Respondents misrepresented the true nature of the product in
13 violation of ORS 746.075(1) and ORS 746.075(2)(d).

14 61. By enrolling members without their knowledge or making misrepresentations
15 regarding the scope of coverage as set forth in Paragraphs (8) through (21), Respondents
16 obtained money or property by means of an untrue statement of a material fact or an
17 omission to state a material fact necessary in order to make the statement, in light of the
18 circumstances under which it was made, not misleading, in violation of ORS 746.075(1)
19 and ORS 746.075(2)(f).

20 62. By enrolling members without their knowledge or making misrepresentations
21 regarding the scope of coverage as set forth in Paragraphs (8) through (21), sending
22 inaccurate text messages as set forth in Paragraphs (22) – (25), and/or including false
23 statements in scripts as set forth in Paragraphs (26), Respondents engaged in a course of
24 business that operates as a deceit upon the purchaser or insured in violation of ORS
25 746.075(1) and ORS 746.075(2)(g).

26 63. By enrolling members without their knowledge or making misrepresentations



1 regarding the scope of coverage as set forth in Paragraphs (8) through (21) and/or by
2 sending inaccurate text messages for the purpose of upselling as set forth in Paragraphs
3 (22) – (25), Respondents made false statements or representations for the purpose of
4 obtaining a fee, commission, or money in violation of ORS 746.100.

5 64. By using Walsh’s credentials as set forth in Paragraphs (27) – (31) and/or by
6 using Brown’s credentials after he terminated his employment as set forth in Paragraphs
7 (32) – (33), Respondents made false statements or representations relative to an application
8 for insurance in violation of ORS 746.100.

9 65. By failing to reply truthfully to the Division’s inquiries as set forth in Paragraph
10 (50), Respondents violated ORS 731.296.

11 66. Because Respondents violated insurance laws, rules, and/or orders in Oregon
12 and other states, the Director may revoke their licenses pursuant to ORS 744.074(1)(b).

13 67. Because New Hampshire refused to renew Seguro’s entity insurance producer
14 license and Pennsylvania ordered Seguro’s license surrendered, the Division may revoke
15 its license pursuant to ORS 744.074(1)(i).

16 68. Because the Director has reason to believe that Respondents have been
17 engaged, are engaging, or are about to engage in violations of the Insurance Code, the
18 Director may issue an order to Respondents to cease and desist, pursuant to ORS
19 731.252(1).

20 69. The Director may impose a civil penalty of up to \$10,000 *per violation* upon any
21 person who violates a provision of the Insurance Code, under ORS 731.988(1). The
22 Director may assess a civil penalty of up to \$1,000 *per violation* upon individual insurance
23 producers.

24 ORDERS

25 The Director issues the following ORDERS:

26 70. As authorized by ORS 731.252(1), the Director ORDERS Respondents to

1 CEASE AND DESIST from violating ORS 731.252(1), ORS 731.296, ORS 744.074(1)(h),
2 ORS 744.089(1), ORS 746.075(1), ORS 746.075(2)(a), ORS 746.075(2)(d), ORS
3 746.075(2)(f), ORS 746.075(2)(g), and ORS 746.100.

4 71. Based upon the foregoing and in accordance with ORS 731.988(1), the Director
5 ORDERS that Respondents be jointly and severally subject to a CIVIL PENALTY of
6 \$100,000 as follows:

- 7 A. \$30,000 for violating ORS 744.074(1)(h);
- 8 B. \$10,000 for violating ORS 744.089;
- 9 C. \$10,000 for violating ORS 746.075(1) & (2)(a);
- 10 D. \$10,000 for violating ORS 746.075(1) & (2)(d);
- 11 E. \$10,000 for violating ORS 746.075(1) & (2)(f);
- 12 F. \$10,000 for violating ORS 746.075(1) & (2)(g);
- 13 G. \$10,000 for violating ORS 746.100; and
- 14 H. \$10,000 for violating ORS 731.296.

15 72. The Director hereby suspends payment of \$50,000 of the CIVIL PENALTY for
16 a period of three years, provided Respondents comply with the terms of this Order.

17 73. Respondents hereby VOLUNTARILY SURRENDER their Oregon producer
18 licenses.

19 74. Respondents hereby agree to PERMANENTLY REFRAIN from any and all
20 attempts to seek re-licensure under the Oregon Insurance Code. This extends to any and
21 all aliases under which Seguro is operating or will operate including, but not limited to,
22 Quick Health, Quick, LLC, Quickhealth, and/or Quickhealth.care. This extends to any and
23 all entities for whom Walsh is an owner, DRLP, and/or exercises management or control.

24 75. The non-suspended CIVIL PENALTY (\$50,000) is due and payable on the
25 following terms:

- 26 A. \$10,000 at the time this Order is returned to the Director;



- 1 B. \$10,000 thirty (30) days after the effective date of this Order;
- 2 C. \$15,000 sixty (60) days after the effective date of this Order;
- 3 D. \$15,000 ninety (90) days after the effective date of this Order.

4 76. The suspended CIVIL PENALTY (\$50,000) will be waived three years from
5 the effective date of this Order, provided Respondents have complied with the foregoing
6 Order terms. Respondents' failure to satisfy any terms of this Order will render the
7 suspended penalties, and any remaining penalties not yet paid by Respondents under
8 Paragraph (75), immediately due and payable.

9 77. This Order is binding upon Respondents' successors and assigns.

10
11 SO ORDERED this 4th day of June, 2024.

12 ANDREW R. STOLFI, Director
13 Department of Consumer and Business Services

14
15 /s/ Dorothy Bean
16 Dorothy Bean, Chief of Enforcement
17 Division of Financial Regulation

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CONSENT TO ENTRY OF ORDER

I, Arthur Walsh, have read the foregoing Consent Order, and I know and fully understand the contents hereof. I have been advised of my right to a hearing and of the right to be represented by counsel in this matter. Without admitting the Director's Findings of Fact or Conclusions of Law, Seguro voluntarily and without any force or duress consents to the entry of this Consent Order expressly waiving any right to a hearing in this matter in this jurisdiction. I understand that the Director reserves the right to take further actions to enforce this Consent Order or to take appropriate action upon discovery of other violations of the Insurance Code. I will fully comply with the terms and conditions stated herein.

I understand that this Consent Order is a public document.

Signature: _____

State of _____

County of _____

Signed or attested before me on this _____ day of _____, 2024

by _____.

Notary Public

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