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# CALIFORNIA CONSUMER ALERT

Insurance Commissioner Ricardo Lara

## Commissioner Lara issues Cease and Desist to Innovative Partners and multiple other entities for scheme involving sale of misleading health insurance

*Consumers who have purchased policies from Innovative Partners encouraged to call Department of Insurance for assistance*

Insurance Commissioner Ricardo Lara issued a [Cease and Desist Order](#) against Innovative Partners, LP for illegally acting as an insurance company in California and providing health coverage without proper certification. The Department also has served 10 additional Cease and Desist Orders on multiple entities as well as licensed and unlicensed individuals that aided and abetted Innovative Partners, LP in these fraudulent activities.

“We will use every tool at our disposal to protect consumers,” said Commissioner Lara. “When Californians purchase health coverage they deserve the full confidence the coverage they are promised will be there when they need it. Selling insurance without the proper licensing or certification is against the law and puts consumers health and financial well-being at risk.”



The Department launched an investigation after receiving information that California consumers were having their claims improperly denied after purchasing and attempting to use health coverage sponsored by Innovative Partners, LP (Innovative Partners). The investigation found that beginning in 2023, Innovative Partners defrauded victims by selling them limited or non-existent health coverage and convincing them they were purchasing comprehensive insurance plans. Many of these victims believed they were speaking with representatives from Covered California and purchasing comprehensive Blue Shield or Aetna policies. However, when the victims attempted to use their coverage, they found the coverage was limited or non-existent and would not cover the medical expenses they were told were covered with their policy.

Innovative Partners is not partnered with Covered California. Upon purchasing health coverage, consumers were given plan cards with Innovative Partners branding. These cards often listed PHCS and Group Resources as claim handlers, while some cards also listed portal information for First Health Network and/or Marpai Administrators LLC. Other plan cards also included Teladoc Health Inc. contact information.

Consumers also experienced issues with lack of coverage for medical benefits they were promised. For example, one consumer signed up for a policy they were told was an Aetna Gold PPO plan through Innovative Partners which would cover his mental health appointments, and could start immediately without a waiting period. He received an ID card which included First Health Network and

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Marpai Health portal information. The consumer visited his therapist twice, and was then told that the insurance was not covering the care. After contacting both of the numbers on the back of the card he was given, a representative assured him he did have coverage for mental health. Trusting what the representative told him, he continued with his mental health treatments believing he did have coverage, but Innovative never paid for the treatment and the consumer was left with more than \$1,700 in unpaid medical bills.

In another case, a small business owner was looking to purchase new health insurance after his business slowed causing him to become ineligible for his prior coverage. The consumer stated that the issue began after he tried to purchase a policy through Covered California and gave up due to cost. He then received a call from Innovative Partners who claimed that the consumer qualified for their plan due to his low income, and he would receive full coverage for \$400 per month. Upon signing up, the consumer specifically asked about E.R. visits and was told that the plan covered up to two visits, per year, with a \$50 co-pay. The consumer confirmed coverage with two separate Innovative Partners representatives and thereafter visited the E.R. using his Innovative policy. The consumer discovered that the represented coverage did not exist when he started receiving calls from collections agencies, and he was left with around \$11,000 in debt.

Innovative Partners disguised their activities as a single-employer health insurance plan under the Employee Retirement Income Security Act of 1974, masking the sale and selling of health insurance as a “Small Employee Benefit Plan” even though the consumers did not claim to be employees of or partners with Innovative Partners.

Innovative Partners does not have authorization to transact insurance in California and does not hold a certificate of authority to transact business in California.

Consumers who have purchased health coverage through Innovative Partners, LP or any of the below entities or licensed and unlicensed individuals should contact the Department of Insurance at (714) 712-7600.

Cease and Desist Orders were served against the following:

- Innovative Partners, LP
- Arman Motiwalla – License #4134341
- Amani Shokry
- Jimmie Sutton
- Omar Kasani
- Group Resources
- First Health Network
- MultiPlan Inc.
- PHCS
- Marpai Administrators LLC
- Teledoc Health Inc.



**Exciting News! ✨** The California Department of Insurance (CDI) is proud to introduce the **Community Outreach and Education Partnership Initiative**. This dynamic program is designed to raise consumer awareness about CDI's vital services and expand understanding of key insurance topics and fraud prevention. Become a valued partner and unlock exclusive access to:

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