



Tony Evers, Governor of Wisconsin  
Mark Afable, Commissioner of Insurance

**DATE:** January 08, 2021

**TO:** Licensed Intermediaries, Employers, Associations and Interested Parties

**FROM:** Mark V. Afable, Commissioner of Insurance

**SUBJECT:** Consumer Alert related to Medova Healthcare Financial Group and Lifestyle Health Plans

The Office of the Commissioner of Insurance (OCI) is issuing this consumer alert to all employers, associations and licensed insurance agents who may have enrolled or have been approached to facilitate enrollment in health products administered by Medova Healthcare Financial Group (Medova) including Lifestyle Health Plans. On December 18, 2020, the U.S. Department of Labor (DOL) filed a complaint in the U.S. District Court for the District of Kansas against Medova, its president and CEO, Daniel L. Whitney, chief operating officer, Michelle Willson, and Midlands Casualty Insurance Co. Inc. The DOL's press release regarding the complaint may be found [here](#).

The complaint alleges that the defendants set up and operated a Multiple Employer Welfare Arrangement (MEWA) without the proper filings with the DOL. The complaint further alleges that the MEWA's funds were misused resulting in a funding deficiency for Lifestyle Health Plans that the DOL has stated exceeds \$18 million. The DOL alleges the defendants made material omissions to current and prospective participating employers regarding the MEWA's failure and its ability to pay claims, as well as the overall financially hazardous condition of the MEWA. The Medova MEWA provided benefits and held assets for at least 2,600 participating health plans serving more than 35,000 employees in 38 different states, including the state of Wisconsin.

The DOL has requested the appointment of an independent fiduciary to oversee the MEWA's operations and determine the MEWA's ability to pay outstanding participant health claims. The MEWA's financial position could require the termination of the benefits offered by the MEWA and employers may be required to obtain new health, dental, vision or prescription drug coverage.

**Medova MEWA and Lifestyles Health Plan participants with unpaid medical claims are encouraged to contact the DOL's Employee Benefits Security Administration at 866-444-3272.**

Under Wisconsin law, no MEWA may operate in this state without licensure. To determine if a MEWA or an insurer is authorized to do business in this state, please check OCI's company licensing website [here](#). Consumers may also contact OCI with any questions by email at [ociquestions@wisconsin.gov](mailto:ociquestions@wisconsin.gov) or by phone at 608-266-3585 or toll-free at 800-236-8517.

Any questions concerning this consumer alert may be directed to Sarah Smith, Director of Public Affairs, at [Sarah.Smith2@wisconsin.gov](mailto:Sarah.Smith2@wisconsin.gov).