



DEPARTMENT OF COMMERCE AND INSURANCE

P.O. Box 690, Jefferson City, Mo. 65102-0690

IN RE:)
)
TOWERS ADMINISTRATORS LLC) **Case No. 2312291152F**
)
Renewal Applicant.)

ORDER REFUSING TO RENEW
DISCOUNT MEDICAL PLAN ORGANIZATION REGISTRATION

CHLORA LINDLEY-MYERS, Director of the Missouri Department of Commerce and Insurance (“Director” of the “Department”), takes up the above matter for consideration and disposition. After reviewing the Petition and other relevant documents, the Director issues the following findings of fact, conclusions of law, and order:

FINDINGS OF FACT

1. Towers Administrators LLC (“Towers”) is a discount medical plan organization that is incorporated in Delaware. Towers’ reported business and mailing address is 4510 Cox Road, Suite 111, Glen Allen, VA 23060.
2. On December 6, 2023, the Department received Towers’ application to renew its discount medical plan organization registration (“Registration Renewal Application”).
3. Section 3.B., Net Worth, of the Registration Renewal Application asks, in relevant part:

How will this DMPO [discount medical plan organization] continue to show that it has net worth of at least \$150,000? Check which one of the following methods this DMPO will use to assure such performance:

* * *

By the report of an audit by an independent certified public account[ant] (if checked, a copy of the audit report must be attached).

4. Towers checked the box in Section 3.B. with the language indicated above regarding providing an audit report from an independent certified public accountant and attached an audited financial statement for the year ending December 31, 2022.
5. The audit revealed that Towers had total assets of \$1,371,347, total liabilities of \$1,499,438, and a net worth (denominated as a “Member’s deficit”) of \$(128,091).

CONCLUSIONS OF LAW

6. Section 376.1502.1¹ states as follows:

It is unlawful to transact business in this state as a discount medical plan organization, unless the organization is a corporation, limited liability corporation, partnership, limited liability partnership or other legal entity organized under the laws of this state or, if a foreign entity, authorized to transact business in this state, and is registered as a discount medical plan organization with the director or duly authorized by the director as an insurance company, licensed health maintenance organization, licensed group health service organization, or licensed third-party administrator.

7. Section 376.1504 provides, in pertinent part, as follows:

1. To register as a discount medical plan organization, an applicant shall:

- (1) File with the director an application on a form approved and adopted by the director; and

- (2) Pay to the director a fee of two hundred fifty dollars.

2. A registration is valid for a one-year term and expires one year following the registration date unless it is renewed as provided in this section.

3. Before it expires, a registrant may renew the registration for an additional one-year term if the registrant:

¹ All citations are to the Revised Statutes of Missouri, RSMo 2016, unless otherwise noted.

(1) Otherwise is qualified to receive a registration;

(2) Files with the director a renewal application on a form approved and adopted by the director; and

(3) Pays a renewal fee of two hundred fifty dollars.

8. Section 376.1518 provides as follows:

1. Each discount medical plan organization registered pursuant to sections 376.1500 to 376.1532 shall at all times maintain a net worth of at least one hundred fifty thousand dollars.

2. The director may not allow a registration unless the discount medical plan organization has a net worth of at least one hundred fifty thousand dollars.

9. Section 376.1530 provides, in pertinent part, as follows:

1. The director may deny a registration to an applicant or refuse to renew, suspend, or revoke the registration of a registrant if the applicant or registrant, or an officer, director, or employee of the applicant or registrant:

* * *

(6) Does not have the minimum net worth as required by sections 376.1500 to 376.1532[.]

10. The Director may refuse to renew Towers' discount medical plan organization registration under § 376.1530.1(6) because Towers does not have the minimum net worth required by § 376.1500 to § 376.1532, as its net worth is \$278,091 below the required minimum as of December 31, 2022.

11. Indeed, the Director must refuse to renew Towers' discount medical plan organization registration under §§ 376.1530.1(6), 376.1504.3 and 376.1518.2 because Towers does not have the minimum net worth required by § 376.1500 to § 376.1532, as its net worth is \$278,091 below the required minimum as of December 31, 2022.

12. The Director has considered Towers' Registration Renewal Application and the circumstances surrounding it. Renewing Towers' discount medical plan organization registration would not be in the interest of the public. Indeed, the Director has no discretion in this matter and must refuse to renew Towers'

registration renewal because Towers' net worth falls below the minimum net worth required by Missouri statute.

13. This Order is in the public interest.

ORDER

IT IS THEREFORE ORDERED that the discount medical plan organization Registration Renewal Application of Towers Administrators, LLC is hereby **REFUSED**.

SO ORDERED. WITNESS MY HAND THIS 02nd DAY OF JANUARY, 2024.




Chlora Lindley Myers
CHLORA LINDLEY-MYERS
DIRECTOR

CERTIFICATE OF SERVICE

I hereby certify that on this 2nd day of January, 2024, a copy of the foregoing Order was served upon the Renewal Applicant in this matter by United Parcel Service, with signature required, at the following address:

Joe Kern
Towers Administrators LLC
4510 Cox Road, Suite 111
Glen Allen, VA 23060

Tracking No. 1Z0R15W84298968465



Kathryn Latimer, Paralegal
Missouri Department of Commerce
and Insurance
301 West High Street, Room 530
Jefferson City, Missouri 65101
Telephone: 573.751.2619
Facsimile: 573.526.5492
Email: Kathryn.latimer@insurance.mo.gov