



**DEPARTMENT OF COMMERCE & INSURANCE**

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

*In Re:* )  
 )  
MEDOVA HEALTHCARE FINANCIAL ) Market Conduct Investigation No. 356637  
GROUP LLC )

**ORDER**

NOW, on this 15<sup>th</sup> day of February, 2022, Director, Chlora Lindley-Myers, after consideration and review of the Stipulation of Settlement and Voluntary Forfeiture (hereinafter “Stipulation”) entered into by the Division of Insurance Market Regulation (hereinafter “Division”), and Medova Healthcare Financial Group LLC (hereinafter “Medova”), relating to the market conduct investigation no. 356637, does hereby issue the following orders:

This order, issued pursuant to §§374.046.15<sup>1</sup> and 374.280 is in the public interest.

**IT IS THEREFORE ORDERED** that Medova and the Division having agreed to the Stipulation, the Director does hereby approve the Stipulation.

**IT IS FURTHER ORDERED** that Medova shall not engage in any of the violations of statutes and regulations set forth in the Stipulation, shall implement procedures to place it in full compliance with the requirements in the Stipulation and the statutes and regulations of the State of Missouri, and to maintain those corrective actions at all times, and shall fully comply with all terms of the Stipulation.

**IT IS FURTHER ORDERED** that Medova shall pay, and the Department of Commerce and Insurance, State of Missouri, shall accept, the Voluntary Forfeiture of \$115,500, payable to

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<sup>1</sup> All references, unless otherwise noted, are to Revised Statutes of Missouri 2016.

the Missouri State School Fund.

**IT IS FURTHER ORDERED** that payment of the Voluntary Forfeiture of \$115,500 is suspended subject to the terms of the Stipulation.

**IT IS SO ORDERED.**

**IN WITNESS WHEREOF**, I have hereunto set my hand and affixed the seal of my office in Jefferson City, Missouri, this 15<sup>th</sup> day of February, 2022.



Chlora Lindley-Myers  
Director

**IN THE DEPARTMENT OF COMMERCE AND INSURANCE  
STATE OF MISSOURI**

*In Re:* )  
 )  
MEDOVA HEALTHCARE FINANCIAL ) **Market Conduct Investigation**  
GROUP LLC ) **No. 356637**

**STIPULATION OF SETTLEMENT AND VOLUNTARY FORFEITURE**

It is hereby stipulated and agreed by the Division of Insurance Market Regulation (hereinafter “the Division”) and Medova Healthcare Financial Group LLC (hereinafter “Medova”), as follows:

**WHEREAS**, the Division is a unit of the Missouri Department of Commerce and Insurance (hereinafter “the Department”), an agency of the State of Missouri, created and established for administering and enforcing all laws in relation to insurance companies doing business in the State of Missouri;

**WHEREAS**, Medova was granted a license to operate as a Third Party Administrator (hereinafter “TPA”) in the State of Missouri;

**WHEREAS**, the Division conducted a market conduct investigation of Medova, investigation #356637; and

**WHEREAS**, based on the market conduct investigation of Medova, the Division alleges that:

1. Medova materially aided the transaction of insurance business by an unauthorized carrier, by placing stop loss coverage with Midlands Casualty Insurance Company (hereinafter “Midlands”) which was not licensed to issue such coverage in the State of Missouri in violation of §375.310<sup>1</sup>.

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<sup>1</sup> All references, unless otherwise noted, are to Missouri Revised Statutes 2016, as amended or to the Code of State Regulations, 2020, as amended.

2. Medova provided inaccurate information to the Department when it provided data to the Department indicating that Medova placed new specific stop loss coverage with Midlands when such information was incorrect, in violation of §374.210.1 (2).

3. Medova engaged in a course of business constituting a violation of §375.144 (4) by agreeing with employers to find and place their stop loss coverage with stop loss insurance carriers, but instead placing the coverage with an unauthorized entity.

**WHEREAS**, Medova denies that the above activities violate or implicate the cited provisions of Missouri law.

**WHEREAS**, the Division and Medova have agreed to resolve the issues raised in the market conduct investigation as follows:

A. **Scope of Agreement.** This Stipulation of Settlement and Voluntary Forfeiture (hereinafter “Stipulation”) embodies the entire agreement and understanding of the signatories with respect to the subject matter contained herein. The signatories hereby declare and represent that no promise, inducement or agreement not herein expressed has been made, and acknowledge that the terms and conditions of this agreement are contractual and not a mere recital.

B. **Remedial Action.** Medova agrees to take remedial action bringing it into compliance with the statutes and regulations of Missouri and agrees to maintain such remedial actions at all times, to reasonably ensure that the errors noted in the market conduct investigation and in this Stipulation do not recur. Such remedial actions shall consist of the following:

1. Medova has represented to the Division that it has surrendered its license to do business in the State of Missouri as a TPA and as a Business Entity Producer. Medova agrees that it will provide the Division with 60 days written notice before attempting to seek reinstatement of

either its TPA license or its Business Entity Producer License, or to seek to obtain a new license or certificate of authority to operate in the State of Missouri.

2. Medova agrees not to place insurance business in the State of Missouri with any carrier that does not possess a valid certificate of authority issued by the Director of the Department (hereinafter the “Director”) that has been neither suspended nor revoked.

3. Medova agrees to provide complete and accurate information to the Division in connection with any future examination, investigation or inquiry.

C. **Compliance.** Medova agrees to file documentation with the Division, in a format acceptable to the Division, within 20 days of the entry of a final order of any remedial action taken pursuant to Paragraph B to implement compliance with the terms of this Stipulation. Such documentation is provided pursuant to §374.190.

D. **Ongoing Investigation.** Medova agrees to pay any reasonable investigation fees expended by the Division in conducting its review of the documentation provided by Medova pursuant to Paragraph C of this Stipulation.

E. **Voluntary Forfeiture.** Medova agrees, voluntarily and knowingly, to surrender and forfeit the sum of \$115,500 such sum payable to the Missouri State School Fund, in accordance with §374.049.11 and §374.280.2. Payment of such sum shall be suspended upon written proof provided by Medova that it has surrendered its Missouri TPA license and Missouri Business Entity Producer License. Payment of such sum shall be due and payable in the event that Medova seeks to reinstate its TPA license, its Business Entity Producer License, or seeks to obtain a new license or certificate of authority, subject to the authority of the Director, to operate in the State of Missouri. Payment of such sum shall be a precondition to any license or certificate of authority being issued to Medova by the Director or the Department.

F. **Non-Admission.** Nothing in this Stipulation shall be construed as an admission by Medova, this Stipulation being part of a compromise settlement to resolve disputed factual and legal allegations arising out of the above-referenced market conduct investigation.

G. **Waivers.** Medova, after being advised by legal counsel, does hereby voluntarily and knowingly waive any and all rights for procedural requirements, including notice and an opportunity for a hearing, and review or appeal by any trial or appellate court, which may have otherwise applied to the above-referenced market conduct investigation.

H. **Changes.** No changes to this Stipulation shall be effective unless made in writing and agreed to by representatives of the Division and Medova.

I. **Governing Law.** This Stipulation shall be governed and construed in accordance with the laws of the State of Missouri.

J. **Authority.** The signatories below represent, acknowledge, and warrant that they are authorized to sign this Stipulation, on behalf of the Division and Medova respectively.

K. **Counterparts.** This Stipulation may be executed in multiple counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single document. Execution and delivery of this Stipulation by facsimile or by an electronically transmitted signature shall be fully and legally effective and binding.

L. **Effect of Stipulation.** This Stipulation shall become effective only upon entry of a Final Order by the Director approving this Stipulation.

M. **Request for an Order.** The signatories below request that the Director issue an Order approving this Stipulation and ordering the relief agreed to in the Stipulation, and consent to the issuance of such Order.

DATED: January 12, 2022



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Teresa Kroll  
Chief Market Conduct Examiner  
Division of Insurance Market Regulation

1/11/2022  
DATED: \_\_\_\_\_



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Daniel Whitney, President & CEO  
Medova Healthcare Financial Group LLC