



News Release

## FEDERAL COURT APPOINTS INDEPENDENT FIDUCIARY AS CLAIMS ADMINISTRATOR OF MEDOVA ARRANGEMENT

### *Order helps plan participants in 38 states resolve outstanding health claims*

**KANSAS CITY, MO** – A consent order entered by the U.S. District Court for the District of Kansas has appointed Receivership Management Inc. – an independent fiduciary based in Madison, Tennessee – to serve as claims administrator and oversee employee benefit plans and assets previously administered by Medova Healthcare Financial Group. As an independent fiduciary, the company will work to negotiate and pay outstanding health claims for participants of the arrangement.

The court order is an agreement between the U.S. Department of Labor; Medova Healthcare Financial Group LLC of Wichita, Kansas; its president and CEO Daniel L. Whitney; chief operating officer Michelle Willson; and Midlands Casualty Insurance Co. Inc. following a complaint the department filed on Dec. 9, 2020.

An investigation by the department’s [Employee Benefits Security Administration](#) alleged that the defendants’ misuse of the Medova arrangement’s funds created a critical funding deficiency for Lifestyle Health Plans and other employer-sponsored employee benefit plans covered by the [Employee Retirement Income Security Act](#).

“As an independent fiduciary, Receivership Management can resolve claims for participating employers and employees in the Medova arrangement and will oversee the plans’ assets and claims – helping to ensure plan participants receive the benefits due to them,” said Acting Assistant Secretary for Employee Benefits Security Ali Khawar. “The Medova defendants’ alleged violations of the Employee Retirement Income Security Act harmed the plans and their participants. When fiduciaries fail to follow the law, the Employee Benefits Security Administration will step in to protect the benefits of America’s workers.”

As of Nov. 6, 2020, the Medova arrangement provided benefits and held assets for at least 2,600 participating health plans serving more than 35,000 employees in [38 different states](#). Receivership Management will serve as an independent fiduciary until the litigation initiated by the complaint against the Medova defendants is resolved or the independent fiduciary’s services are found to be no longer necessary. The complaint also asked the court to require the defendants to disgorge to the Medova arrangement all profits and fees and other monies earned in connection with their violations.

Medova arrangement and Lifestyles Health Plan participants with unpaid medical claims should email [ckinser@receivermgmt.com](mailto:ckinser@receivermgmt.com) with “Medova” in the subject line or call 615-370-0051.

DOL V. Daniel L. Whitney; Michelle Willson; Medova Healthcare Financial Group LLC; Midlands Casualty Insurance Company Inc.; et. al.

**Agency:** Employee Benefits Security Administration

**Date:** April 12, 2021

**Release Number:** 21-614-NAT

**Media Contact:** Scott Allen

**Phone Number:** [312-353-4727](tel:312-353-4727)

**Email:** [allen.scott@dol.gov](mailto:allen.scott@dol.gov)

**Media Contact:** Rhonda Burke

**Phone Number:** [312-353-4807](tel:312-353-4807)

**Email:** [burke.rhonda@dol.gov](mailto:burke.rhonda@dol.gov)

Share This



**More News Releases**

**Previous**

**Next Up**

[US Department of Labor recovers \\$47K in back wages after investigation finds Hancock County Sheriff's Department violated overtime laws](#)

[OSHA partners with Pennsylvania companies to promote workplace safety during Penn State Health Lancaster Medical Center construction](#)

[Agencies](#) [Forms](#) [Guidance Search](#) [FAQ](#) [About DOL](#) [News](#) [Contact Us](#)



**U.S. DEPARTMENT OF LABOR**

200 Constitution Ave NW  
Washington, DC 20210  
[1-866-4-USA-DOL](tel:1-866-4-USA-DOL)  
[1-866-487-2365](tel:1-866-487-2365)  
[www.dol.gov](http://www.dol.gov)

**FEDERAL GOVERNMENT** [+](#)

White House  
Benefits.gov  
Coronavirus Resources  
Disaster Recovery Assistance  
DisasterAssistance.gov  
USA.gov  
Notification of EEO Violations  
No Fear Act Data  
U.S. Office of Special Counsel

**LABOR DEPARTMENT** [+](#)

About DOL  
Guidance Search  
Español  
Office of Inspector General  
Subscribe to the DOL Newsletter  
Read the DOL Newsletter  
Emergency Accountability Status Link  
A to Z Index

**ABOUT THE SITE** [+](#)

Freedom of Information Act  
Disclaimers  
Plug-Ins Used on DOL.gov  
Accessibility Statement

Connect With DOL



[Site Map](#) | [Important Website Notices](#) | [Privacy & Security Statement](#)

Submit Feedback