



## **MSP Recovery Announces Continued Portfolio Growth, Initial Payments in Response to Claim Demand Packages on Property and Casualty Claims Averaging 284% of Paid Value of Potentially Recoverable Claims, and Expansion of LifeWallet Platform With the Launch o**

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CORAL GABLES, Fla., Sept. 22, 2022 (GLOBE NEWSWIRE) -- MSP Recovery, Inc. ("MSP Recovery" or "MSPR") today provided a business update.

- The company announced continued growth and new assignors, including healthcare provider networks and entities with more than 1,800 providers and scientists and more than 30 outpatient sites.
- Initial payments received by MSPR in response to individual claim demand packages thus far have, on average, been paid at 284% of the Paid Value of Potentially Recoverable Claims ("PVPRC"). For reference, MSPR's prior settlement with Ocean Harbor Insurance resulted in recoveries at 350% (3.5 times) of the PVPRC with respect to Parts A and D, and 200% (2 times) of the PVPRC for Part B. Other settlement agreements have been agreed to with amounts between 400% and 600% (4 to 6 times) of PVPRC.
- LifeWallet has commenced the launch of the LifeWallet Legal Referral Service that will enable LifeWallet to generate revenue from lawyers across the nation and Puerto Rico.

Today, MSPR, a Medicare, Medicaid, commercial, and secondary payer reimbursement recovery and technology leader, announces additional portfolio growth as well as insights into recent recovery multiples from individual claim demands, while expanding its LifeWallet platform.

MSP Recovery recently announced that it has grown from an initial 11,000 unique healthcare member lives in its portfolio in 2014, to [more than 34 million unique healthcare members](#) as of August 11, 2022. Today the company announced that it has continued experiencing growth, receiving additional claims data from 11 existing assignors, as well as entering into agreements with new assignors. These new recovery agreements include healthcare provider networks and entities with more than 1,800 providers and scientists and more than 30 outpatient sites. MSPR also anticipates receiving additional data from 31 medical providers, hospital systems, and other healthcare entities that have already entered into agreements to provide such data.

As part of its agreement with healthcare provider networks, MSPR will seek to secure claim recoveries from responsible parties on behalf of healthcare providers, as well as load provider data onto the LifeWallet platform which allows for the storage, validation, and transfer of medical and prescription data, provides healthcare professionals insight into patient information, as well as improved access to facilitate patient-provider interoperability, providing patients with immediate access to their medical records.

"The addition of these provider networks to our portfolio of recoverable claims represents a tremendous opportunity," said MSP Recovery Founder and CEO, John H. Ruiz. "Providers across the country are getting short-changed by insurers that are skirting their payment obligations to take advantage of reduced Medicare rates to which they are not entitled. We will not rest until these liability insurers are held accountable as their conduct damages our entire healthcare system from Medicare to Medicare Advantage, and down to the providers who should have been paid the correct rate," said Mr. Ruiz.

This Medicare and Medicaid claims data enables MSPR to pursue larger recovery opportunities. For example, MSPR [previously identified more than \\$1.5 billion in billed amounts](#) for unique recoverable cases on behalf of Medicare Advantage Organizations against property and casualty insurance carriers that confirmed their primary payment responsibility for the underlying accidents, by reporting the same to the Centers for Medicare and Medicaid Services ("CMS").

As part of its recovery efforts, MSPR has identified primary payers across the country with primary payment responsibility and initiated collections via individual claim demand packages. Initial payments received by MSPR in response to individual claim demand packages sent directly by MSPR have thus far, on average, been paid at 284% of the PVPRC. However, the 284% should not be viewed as a representation that future claims will be paid at 284% of PVPRC or that the amounts are a representative sample of the recovery rate as the amounts collected thus far are a very small fraction of the overall potential recoveries with respect to demand packages sent out. Moreover, in certain instances the 284% rate (or the amount paid in any individual circumstance) does not factor that MSPR may have further avenues of recovery which it has not yet exhausted. For reference, MSPR's prior settlement with Ocean Harbor Insurance resulted in recoveries at 350% (3.5 times) of the PVPRC with respect to Parts A and D, and 200% (2 times) of the PVPRC for Part B. Other settlement agreements have been agreed to with amounts between 400% and 600% (4 to 6 times) of PVPRC.

MSPR also announces the expansion of its LifeWallet platform, commencing the launch of a nationwide lawyer referral service. In addition to patients, medical providers and healthcare payers, the LifeWallet application will also provide resources for attorneys and their clients. This platform will facilitate the processing of claims by lawyers that ultimately may also represent beneficiaries who have suffered physical or mental injuries for which Medicare or Medicaid has paid.

With litigation on the rise and the number of Multi District Litigation ("MDL") cases surpassing 180 (as of September 15, 2022), the need to access

proper legal representation continues to increase. There are more than 1.3 million attorneys across the country. The LifeWallet Legal Referral Service will create invaluable resources for these attorneys while providing assistance to anyone in need of legal help. This service will fill the substantial need for a centralized network of lawyers that will help reduce costs for attorneys who spend millions yearly in advertising dollars, while increasing access to legal representation for all Americans.

"As a lawyer and CEO of MSP Recovery, I know what lawyers need to process cases for their clients. Our systems were created for lawyers by lawyers with a deep understanding of healthcare data and the overall healthcare ecosystem," said Mr. Ruiz.

MSPR has also achieved significant advancements in the development of its unique ecosystem, expanding capabilities. In partnership with Tokenology, MSPR has completed development of cutting-edge blockchain technology, which allows for the creation of an expansive ledger for all historical and real-time medical claims transactions in the MSP Recovery and LifeWallet ecosystems (see May 20, 2022 press release titled "[Polygon Partners with Tokenology and MSP Recovery to Tokenize Healthcare Claims On-Chain](#)").

A cornerstone of this technology is the integration of biometrics directly into the ledger, as a key verification element of every transaction. This technology is being piloted with key provider partner Cano Health. This allows MSPR to put the patient at the center of the flow of medical claims, providing unprecedented levels of transparency and accuracy. (see August 4, 2022 press release titled "[MSP Recovery Announces LifeWallet Implementation Program at Cano Health Medical Centers](#)"). "Implementing our technology with partners like Cano Health provides MSPR with further validation that our systems are unique and provide the entire ecosystem of patients, providers, and payers with never-before-seen solutions in the market place," said MSP Recovery CEO, John H. Ruiz.

In addition, MSP Recovery's partnership with Palantir and the utilization of its Foundry platform has resulted in the creation of one of the most advanced healthcare analytics tools in existence (see October 11, 2021 press release titled "[MSP Recovery and Palantir Partner to Transform Connectivity Across the U.S. Healthcare System](#)"). This tool provides key metrics for providers and payers through the granular analysis of medical claims data which reveals information on payer rules, billing cycles, fraud analysis, and delivers insights into reducing labor hours, increasing efficiencies, and eliminating waste through the discovery of improper payments and potential recoveries.

Together, these systems allow MSPR to identify the correct payer in real time, avoiding improper payments and maximizing collections per the contractual and statutory requirements of the law. Through these technologies, MSPR is in a unique position to provide solutions at scale for the U.S. healthcare system.

#### **About MSP Recovery**

Founded in 2014, MSP Recovery has become a Medicare, Medicaid, commercial, and secondary payer reimbursement recovery leader, disrupting the antiquated healthcare reimbursement system with data-driven solutions to secure recoveries against responsible parties. MSP Recovery provides the healthcare industry with comprehensive compliance solutions, while innovating technologies to help save lives. For more information, visit: [www.msprecovery.com](http://www.msprecovery.com)

#### **Forward Looking Statement**

This press release contains forward-looking statements within the meaning of the federal securities laws. Forward-looking statements may generally be identified by the use of words such as "anticipate," "believe," "expect," "intend," "plan" and "will" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. As a result, these statements are not guarantees of future performance and actual events may differ materially from those expressed in or suggested by the forward-looking statements. Any forward-looking statement made by MSPR in this press release, its reports filed with the Securities and Exchange Commission (the "SEC") and other public statements made from time-to-time speak only as of the date made. New risks and uncertainties come up from time to time, and it is impossible for MSPR to predict or identify all such events or how they may affect it. MSPR has no obligation, and does not intend, to update any forward-looking statements after the date hereof, except as required by federal securities laws. Factors that could cause these differences include, but are not limited to, MSPR's ability to continue to obtain recoveries at a rate of 284% of PVPRC or higher; the rate at which MSPR is able to recover on claims; MSPR's ability to capitalize on its assignment agreements and recover monies that were paid by the assignors; litigation results; the validity of the assignments of claims to MSPR; the inability to successfully expand the scope of MSPR's claims or obtain new data and claims from MSPR's existing assignor base or otherwise; MSPR's failure to innovate and develop new solutions, or the failure of those solutions to be adopted by MSPR's existing and potential assignors; negative publicity concerning healthcare data analytics and payment accuracy; the ability of LifeWallet powered by MSPR to implement its Health Safety Technology and school security technology, and those other factors included in MSPR's Annual reports on Form 10-K, Quarterly Reports on Form 10-Q and other reports filed by it with the SEC. These statements constitute the Company's cautionary statements under the Private Securities Litigation Reform Act of 1995.

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