



## **LifeWallet Launches Initiative to Secure New Agreements with Health Plans, Providers, Insurers and Attorneys, Continues Cost Cutting Efforts, and Announces it Secured a Waiver of Acceleration Based on a Negative Going Concern from its Largest Creditor**

September 9, 2024 3:53 AM EDT

CORAL GABLES, Fla., Sept. 08, 2024 (GLOBE NEWSWIRE) -- MSP Recovery, Inc. d/b/a LifeWallet (NASDAQ: LIFW) ("LifeWallet," or the "Company"), a Medicare, Medicaid, commercial, and Secondary Payer reimbursement recovery and technology leader, today announces an initiative to secure new agreements with health plans, providers, insurers and attorneys as it continues to make significant strides in revolutionizing healthcare reimbursement through data-driven solutions and strategic partnerships.

This initiative is expected to generate revenue through fees charged on savings from unnecessary Medicare secondary payments. [As previously announced, key developments include:](#)

- **Clearinghouse System:** In partnership with Palantir Technologies, Inc. (NYSE: PLTR) ("Palantir"), LifeWallet continues to enhance its "Chase to Pay" model with a sophisticated clearinghouse solution designed to build an expansive repository of data that can be used to determine medical conditions as well as payer obligations. This system utilizes the Palantir Foundry platform, through the development of new technological tools and machine learning to capture and manage healthcare data effectively.
- **Settlements with Property and Casualty (P&C) Insurers:** As previously announced, LifeWallet has reached settlements with multiple P&C insurers, demonstrating the viability of its approach. These agreements include the provision of historical data (up to 10 years) and future claims data sharing; long-term agreements to resolve Medicare claims cooperatively; P&C Insurers' agreement that they are Primary Payers <sup>1</sup> for any unreimbursed Medicare liens that LifeWallet identifies from data sharing; and the P&C Insurers' agreement to assign all rights to collect against other third parties that either failed to pay liens or collected twice from Medicare funds and the P&C Insurers.
- **Ongoing Negotiations:** LifeWallet continues to make progress in ongoing negotiations with additional P&C insurers to resolve claims on similar terms, potentially expanding the reach of its Medicare claims resolution system. These settlements provide a going-forward process to collaboratively and timely resolve future claims and share important historical data. This is expected to enhance LifeWallet's claims reconciliation capabilities by identifying claims owned by LifeWallet that it may have the right to recover on, while benefitting Medicare plans and downstream entities across the mainland U.S. and Puerto Rico.

### **LifeWallet Cost Cutting Efforts**

LifeWallet strategically reduced its operating costs in 2023 and continues to do so in 2024. These cost reductions do not impact the systems the Company has already created to support recovery efforts of the claims owned by the Company or other resources available to third parties. The Company anticipates these reductions could continue to contribute savings to operating expenses for the year ending December 31, 2024.

"We continue to make significant strides in the right direction, consistently evaluating our operations and strategies," said LifeWallet CEO, John H. Ruiz. "Our team remains committed to identifying innovative ways to streamline our processes and reduce costs without compromising the quality of our services."

### **Waiver from Virage Capital Partners**

LifeWallet has secured a waiver of acceleration based on a negative going concern from its largest creditor and is in similar advanced negotiations with its second largest creditor. On September 6, 2024, Virage Capital Partners ("Virage") agreed to waive a provision of the Company's Master Transaction Agreement that would accelerate the payment of amounts due to Virage in the event the Company receives a negative going concern opinion from its auditors for the year ending December 31, 2024.

## Forward Looking Statements

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, including for example statements regarding any potential future transaction with Virage, as well as potential future settlements. 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 or results and actual events may differ materially from those expressed in or suggested by the forward-looking statements. Any forward-looking statement made by the Company herein speaks only as of the date made. New risks and uncertainties come up from time to time, and it is impossible for the Company to predict or identify all such events or how they may affect it. The Company 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, the Company’s ability to capitalize on its assignment agreements and recover monies that were paid by the assignors; the inherent uncertainty surrounding settlement negotiations and/or litigation, including with respect to both the amount and timing of any such results; the success of the Company’s scheduled settlement mediations; the validity of the assignments of claims to the Company; negative publicity concerning healthcare data analytics and payment accuracy; and those other factors included in the Company’s Annual Report 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.

## About LifeWallet

Founded in 2014 as MSP Recovery, LifeWallet 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 from responsible parties. LifeWallet provides comprehensive solutions for multiple industries including healthcare, legal, and sports NIL. For more information, visit: [LIFEWALLET.COM](http://LIFEWALLET.COM)

## CONTACTS

### Media

ICR, Inc.

[MSP@icrinc.com](mailto:MSP@icrinc.com)

### Investors

[Investors@LifeWallet.com](mailto:Investors@LifeWallet.com)

---

<sup>1</sup> “Primary Plans” or “Primary Payers,” when used in the Medicare Secondary Payer context, means “any entity that is or was required or responsible to make payment with respect to an item or service (or any portion thereof) under a primary plan. These entities include, but are not limited to, insurers or self-insurers, third party administrators, and all employers that sponsor or contribute to group health plans or large group health plans.” 42 C.F.R. § 411.21.