No. 2022-7687

Official Order of the Texas Commissioner of Workers' Compensation

Date: 12/14/2022

Subject Considered:

Texas Association of Counties RMP P.O Box 26300 Austin, Texas 78755-0300

Consent Order DWC Enforcement File Nos. 30247; 30389; 30470;

30781; 30783; 30799; 30805; 30858; and 30878

General remarks and official action taken:

This is a consent order with Texas Association of Counties RMP (Respondent). The commissioner of the Texas Department of Insurance, Division of Workers' Compensation (DWC) considers whether DWC should take disciplinary action against Respondent.

Waiver

Respondent acknowledges that the Texas Labor Code and other applicable laws provide certain rights. Respondent waives all of these rights, and any other procedural rights that apply, in consideration of the entry of this consent order.

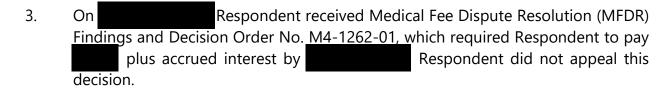
Findings of Fact

- 1. Respondent holds a certificate of authority issued by the Texas Department of Insurance to transact the business of insurance pursuant to Tex. Ins. Code §§ 801.051-801.053 and is licensed to write multiple lines of insurance in Texas, including workers' compensation/employers' liability insurance.
- 2. Respondent was classified as "high" tier in the 2012, 2014, 2016, 2018, and 2020 Performance Based Oversight (PBO) assessments. Respondent was not selected to be tiered in the 2008 or 2010 PBO assessments

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Failure to Comply with a DWC Order

Enforcement No. 30247



4. On Respondent paid in accordance with the MFDR Order, which was 38 days late.

Enforcement No. 30389

- 5. On Respondent received MFDR Findings and Decision Order No. M4-22-1264-01, which required Respondent to pay plus accrued interest by Respondent did not appeal this decision.
- 6. On Respondent issued payment in accordance with the MFDR Order, which was 92 days late.

Enforcement No 30470

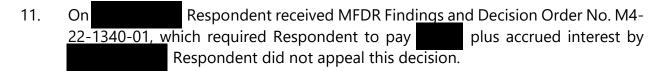
- 7. On Respondent received MFDR Findings and Decision Order No. M4-4-22-1291-01, which required Respondent to pay plus accrued interest by Respondent did not appeal this decision.
- 8. On Respondent issued payment in accordance with the MFDR Order, which was 98 days late.

Enforcement No. 30781

- 9. On Respondent received MFDR Findings and Decision Order No. M4-22-1288-01, which required Respondent to pay plus accrued interest by Respondent did not appeal this decision.
- 10. On Respondent issued payment in accordance with the MFDR Order, which was 144 days late.

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Enforcement No. 30783



12. On Respondent issued payment in accordance with the MFDR Order, which was 78 days late.

Enforcement No. 30799

- 13. On Respondent received MFDR Findings and Decision Order No. M4-22148-01, which required Respondent to pay plus accrued interest by Respondent did not appeal this decision.
- 14. On Respondent issued payment in accordance with the MFDR Order, which was 112 days late.

Enforcement No. 30805

- 15. On Respondent received MFDR Findings and Decision Order No. M4-22-1393-01, which required Respondent to pay plus accrued interest by Respondent did not appeal this decision.
- 16. On Respondent issued payment in accordance with the MFDR Order, which was 152 days late.

Enforcement No. 30858

- 17. On Respondent received MFDR Findings and Decision Order No. M4-22-1374-0, which required Respondent to pay plus accrued interest by Respondent did not appeal this decision.
- 18. On Respondent issued payment for the principal amount, however, Respondent failed to pay accrued interest until a contract or 140 days late.

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Failure to act on a properly completed medical bill.

Enforcement No. 30878

19.	On	a health care provider provided medical services to an injured
	employee. On	Respondent received a completed medical bill ir
	the amount of	from the health care provider.

- 20. Respondent was required to act on the bill within 45 days of receiving it. The deadline to act was
- 21. On Respondent issued payment in the amount which was 23 days late.

Assessment of Sanction

- 1. Failure to timely comply with DWC orders for payment of medical bills is not cost-effective and is harmful to injured employees and the Texas workers' compensation system. Additionally, failure to pay health benefits in a timely and cost-effective manner is harmful to injured employees and the Texas workers' compensation system. Prompt payment of medical bills is imperative to DWC's goal of ensuring that injured employees have access to prompt, high-quality medical care.
- 2. In assessing the sanction for this case, DWC fully considered the following factors in Tex. Lab. Code § 415.021(c) and 28 Tex. Admin. Code § 180.26(e):
 - the seriousness of the violation, including the nature, circumstances, consequences, extent, and gravity of the prohibited act;
 - the history and extent of previous administrative violations;
 - the violator's demonstration of good faith, including actions it took to rectify the consequences of the prohibited act;
 - the penalty necessary to deter future violations;
 - whether the administrative violation had a negative impact on the delivery of benefits to an injured employee;
 - the history of compliance with electronic data interchange requirements;
 - to the extent reasonable, the economic benefit resulting from the prohibited act; and

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- other matters that justice may require, including, but not limited to:
 - PBO assessments;
 - prompt and earnest actions to prevent future violations;
 - o self-report of the violation;
 - o the size of the company or practice;
 - o the effect of a sanction on the availability of health care; and
 - evidence of heightened awareness of the legal duty to comply with the Texas Workers' Compensation Act and DWC rules.
- 3. DWC found the following factors in Tex. Lab. Code § 415.021(c) and 28 Tex. Admin. Code § 180.26(e) to be aggravating: the seriousness of the violation, including the nature, circumstances, consequences, extent, and gravity of the prohibited act; and the penalty necessary to deter future violations.
- 4. DWC is aware of no mitigating factors pursuant to Tex. Lab. Code § 415.021(c) and 28 Tex. Admin. Code § 180.26(e).
- 5. Respondent acknowledges communicating with DWC about the relevant statute and rule violations alleged; that the facts establish that the administrative violation(s) occurred; and that the proposed sanction is appropriate, including the factors DWC considered under Tex. Lab. Code § 415.021(c) and 28 Tex. Admin. Code § 180.26(e).
- 6. Respondent acknowledges that, in assessing the sanction, DWC considered the factors in Tex. Lab. Code § 415.021(c) and 28 Tex. Admin. Code § 180.26(e).

Conclusions of Law

- 1. The commissioner has jurisdiction over this matter pursuant to Tex. Lab. Code §§ 402.001, 402.00114, 402.00116, 402.00128, 414.002, and 414.003.
- 2. The commissioner has the authority to dispose of this case informally pursuant to Tex. Gov't Code § 2001.056, Tex. Lab. Code §§ 401.021 and 402.00128(b)(6)-(7), and 28 Tex. Admin. Code § 180.26(h) and (i).
- 3. Respondent has knowingly and voluntarily waived all procedural rights to which it may have been entitled regarding the entry of this order, including, but not limited to, issuance and service of notice of intent to institute disciplinary action, notice of

hearing, a public hearing, a proposal for decision, a rehearing by the commissioner, and judicial review.

4. Pursuant to Tex. Lab. Code § 415.021, the commissioner may assess an administrative penalty against a person who commits an administrative violation.

Failure to Comply with a DWC Order

- 5. Pursuant to Tex. Lab. Code § 415.002(a)(17), an insurance carrier or its representative commits an administrative violation if it fails to pay an order awarding benefits.
- 6. Pursuant to Tex. Lab. Code §§ 415.021(a) and 415.0035(e), an insurance carrier commits an administrative violation if it violates, fails to comply with, or refuses to comply with a DWC order.
- 7. Respondent violated Tex. Lab. Code §§ 415.002(a)(17); 415.021(a); and 415.0035(e) each time Respondent failed to comply with a DWC order.

<u>Failure to act on a properly completed medical bill.</u>

- 8. Pursuant to Tex. Lab. Code § 415.002(a)(20), an insurance carrier or its representative commits an administrative violation each time it violates a DWC rule.
- 9. Pursuant to Tex. Lab. Code § 415.002(a)(22), an insurance carrier or its representative commits an administrative violation each time it fails to comply with a provision of the Texas Workers' Compensation Act.
- 10. Pursuant to Tex. Lab. Code § 408.027 and 28 Tex. Admin. Code § 133.240, an insurance carrier is required to timely process and take final action on a completed medical bill within 45 days of receiving the bill.
- 11. Respondent violated Tex. Lab. Code §§ 415.002(a)(20) and (22) each time it failed to pay, reduce, deny, or determine to audit a completed medical bill within 45 days of receiving the bill.

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Order

It is ordered that Texas Association of Counties RMP must pay an administrative penalty of \$5,500.00 within 30 days from the date of this order. Texas Association of Counties RMP must pay the administrative penalty by company check, cashier's check, or money order and make it payable to the "State of Texas." Mail the administrative penalty to the Texas Department of Insurance, Attn: DWC Enforcement Section, MC AO-9999, P.O. Box 12030, Austin, Texas 78711-2030.

Jeff Nelson

Commissioner

TDI, Division of Workers' Compensation

Approved Form and Content:

Daniel Garcia

Staff Attorney, Enforcement

Compliance and Investigations

TDI, Division of Workers' Compensation

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Unsworn Declaration

STATE OF Texas §

COUNTY OF Travis §

Pursuant to the Tex. Civ. Prac. and Rem. Code § 132.001(a), (b), and (d), my name is **Susan Redford**. I hold the position of **Executive Director** and am the authorized representative of Texas Association of Counties RMP. My business address is:

1210 San Antonio St. Austin Travis Texas 78701 (Street) (City) (County) (State) (ZIP Code)

I am executing this declaration as part of my assigned duties and responsibilities. I declare under penalty of perjury that the facts stated in this document are true and correct.

DocuSigned by:

Declarant

Executed on _______, 2022.