

No. 2023-8087

**Official Order  
of the  
Texas Commissioner of Workers' Compensation**

**Date:** 7/18/2023

**Subject Considered:**

Old Republic Insurance Company  
445 S. Moorland Road  
Brookfield, Wisconsin 53005-4254

Consent Order  
DWC Enforcement File Nos. 31389, 32018, 32019, 32020, 32021, and 32208

**General remarks and official action taken:**

This is a consent order with Old Republic Insurance Company (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 "average" tier in the 2007, 2009, 2010, 2012, 2014, 2016, 2018, 2020, and 2022 Performance Based Oversight (PBO) assessments.

Failure to Timely Act on a Medical Bill

*File No. 31389*

1. On [REDACTED] a health care provider (HCP) provided medical services to an injured employee.
2. On [REDACTED] Respondent received a completed medical bill in the amount of [REDACTED] from the HCP.
3. Respondent was required to act on the bill within 45 days of receiving it. The deadline to act was [REDACTED]
4. On [REDACTED] Respondent paid the HCP, which was 27 days late.

*File No. 32018*

5. On [REDACTED] a HCP provided medical services to an injured employee. These medical services included testing ordered by the injured employee's designated doctor (DD).
6. On [REDACTED] Respondent received a completed medical bill in the amount of [REDACTED] from the HCP.
7. Respondent was required to act on the bill within 45 days of receiving it. The deadline to act was [REDACTED]
8. On [REDACTED] Respondent denied payment of the bill, which was 151 days late.
9. On [REDACTED], Respondent paid [REDACTED] for the medical services provided.
10. On [REDACTED] Respondent paid [REDACTED] in interest.

*File No. 32019*

11. On [REDACTED] a HCP provided medical services to an injured employee. These medical services included DD-referred testing.

12. On [REDACTED] Respondent received a completed medical bill in the amount of \$ [REDACTED] from the HCP.
13. Respondent was required to act on the bill within 45 days of receiving it. The deadline to act was [REDACTED]
14. On [REDACTED] Respondent denied payment of the bill, which was 151 days late.
15. On [REDACTED] Respondent paid [REDACTED] for the medical services provided.
16. On [REDACTED] Respondent paid [REDACTED] in interest.

*File No. 32020*

17. On [REDACTED] a HCP provided medical services to an injured employee. These medical services included DD-referred testing.
18. On [REDACTED] Respondent received a completed medical bill in the amount of [REDACTED] from the HCP.
19. Respondent was required to act on the bill within 45 days of receiving it. The deadline to act was [REDACTED]
20. On [REDACTED] Respondent denied payment of the bill, which was 150 days late.
21. On [REDACTED] Respondent paid [REDACTED] for the medical services provided and [REDACTED] in interest.

*File No. 32021*

22. On [REDACTED] a DD performed a DD examination of an injured employee.
23. On [REDACTED] Respondent received a completed medical bill in the amount of \$ [REDACTED] from the DD.

24. Respondent was required to act on the bill within 45 days of receiving it. The deadline to act was [REDACTED]
25. On [REDACTED] Respondent denied payment of the bill, which was 70 days late.
26. On [REDACTED] Respondent paid [REDACTED] for the medical services provided.
27. On [REDACTED] Respondent paid [REDACTED] in interest.

*File No. 32208*

28. On [REDACTED] a DD performed a DD examination of an injured employee.
29. On [REDACTED] Respondent received a completed medical bill in the amount of [REDACTED] from the HCP.
30. Respondent was required to act on the bill within 45 days of receiving it. The deadline to act was [REDACTED]
31. On [REDACTED] Respondent denied payment of the bill, which was 329 days late.
32. On [REDACTED] Respondent paid [REDACTED] for the medical services provided.
33. On [REDACTED] Respondent paid [REDACTED] in interest.

**Assessment of Sanction**

1. 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
  - other matters that justice may require, including, but not limited to:
    - PBO assessments;
    - prompt and earnest actions to prevent future violations;
    - self-report of the violation;
    - the size of the company or practice;
    - 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 acts; the history and extent of previous administrative violations; 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, 402.00111, 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.
5. 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.
6. 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.
7. 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.
8. Respondent violated Tex. Lab. Code §§ 408.027; 415.002(a)(20); 415.002(a)(22); and 28 Tex. Admin. Code § 133.240 each time Respondent failed to pay, reduce, deny, or determine to audit a completed medical bill within 45 days of receiving the bill.


Commissioner's Order  
Old Republic Insurance Company  
DWC Enforcement File Nos. 31389, 32018, 32019, 32020, 32021, and 32208  
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**Order**

It is ordered that Old Republic Insurance Company must pay an administrative penalty of \$4,000 within 30 days from the date of this order. Old Republic Insurance Company 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.

  
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Jeff Nelson  
Commissioner  
TDI, Division of Workers' Compensation

Approved Form and Content:

  
\_\_\_\_\_  
Dan Garcia  
Staff Attorney, Enforcement  
Compliance and Investigations  
TDI, Division of Workers' Compensation

