

No. 2025-9620

**Official Order
of the
Texas Commissioner of Insurance**

Date: 11/26/2025

Subject Considered:

Gulf South Risk Managers, LTD
PO Box 1398
Houma, LA 70361-1398

TDI Enforcement File No. 36006

**Order on Motion to Set Aside Default Judgment
and Reinstate Certificate of Authority**

General Remarks and Official Action Taken:

The subject of this order is the motion for rehearing filed by Texas Department of Insurance (TDI) Enforcement staff requesting that Commissioner's Order No. 2025-9232 be set aside and the third-party-administrator (TPA) certificate of authority held by Gulf South Risk Managers, LTD (Gulf South Risk) be reinstated.

Background

On April 2, 2025, Commissioner's Order No. 2025-9232 was issued, revoking Gulf South Risk's TPA certificate of authority. The order was issued following the failure of Gulf South Risk to respond to the notice of allegations sent by Enforcement staff to Gulf South Risk under Tex. Admin. Code § 1.47.

On November 7, 2025, Enforcement staff submitted a Motion to Set Aside Default Judgment and Reinstate Certificate of Authority. In the motion, Enforcement explained that staff believed a notice of allegations had been sent to Gulf South Risk's last known address provided to TDI in writing, but that on October 15, 2025, Gulf South Risk provided proof that it had updated its address with TDI before the notice of allegations was sent, and Gulf South Risk did not receive the notice.

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Gulf South Risk provided additional information to TDI, explaining how and when it learned of the notice of allegations sent by Enforcement and issuance of Order No. 2025-9232. Gulf South Risk did not learn of these events until October 14, 2025. Gulf South Risk requested that TDI reopen or reconsider its position on revoking Gulf South Risk's certificate of authority.

Discussion

Under 28 Tex. Admin. Code § 1.47(d)(2), a motion to set aside a default order and reopen the record will be granted if the requesting party establishes that the failure to file a written response to a notice of allegations was neither intentional nor the result of conscious indifference, and that such failure was due to a mistake or accident. The motion must be filed before the order becomes final under Government Code Chapter 2001, Subchapter F. Under Government Code § 2001.144, an order becomes final on the expiration of the deadline for filing a motion for rehearing. Under Government Code § 2001.146, a motion for rehearing must be filed no later than the 25th day after the date the order is signed.

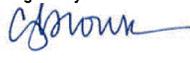
Government Code § 2001.142 addresses situations where a party receives actual notice of a final agency order more than 15 days after the order was signed. If a motion based on the adversely affected party not timely receiving the order is granted, the order date becomes the date the party received the order for purposes of that party.

Enforcement staff and Gulf South Risk provided sufficient information to show that Gulf South Risk did not receive the notice of allegations or notice of Order No. 2025-9232 until October 14, 2025, and a timely motion for rehearing was filed based on that date. Therefore, Order No. 2025-9232 should be set aside, Gulf South Risk's certificate of authority should be reinstated, and the matter should be reopened for further action by the parties.

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Order

It is ordered that Commissioner Order No. 2025-9232 is set aside; Gulf South Risk Managers, LTD's TPA certificate of authority is reinstated; and the matter is reopened for further action by the parties.

Signed by:

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Cassie Brown
Commissioner of Insurance

Recommended and reviewed by:

Signed by:

5DAC5618BBC74D4... _____
Jessica Barta, General Counsel

Signed by:

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Justin Beam, Chief Clerk