

No. 2026-9750

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

**Date:** 01/22/2026

**Subject Considered:**

Esurance Insurance Company  
3100 Sanders Rd Ste 201  
Northbrook, IL 60062-7155

Consent Order  
TDI Enforcement File No. 37713

**General remarks and official action taken:**

This is a consent order with Esurance Insurance Company (Esurance). TDI conducted a market examination and found violations of Texas law. Esurance has agreed to an administrative penalty of \$90,000.

**Waiver**

Esurance acknowledges that the Texas Insurance Code and other applicable law provide certain rights. Esurance waives all of these rights, and any other applicable procedural rights, in consideration of the entry of this consent order.

**Findings of Fact**

1. Esurance is a fire and casualty company holding a certificate of authority to transact business in the state of Texas.
2. TDI conducted a targeted market conduct examination that covered activity between January 1, 2022, and December 31, 2022, on Esurance's homeowner and private passenger automobile line of business.

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3. The purpose of the examination was to determine Esurance's compliance with Texas statutes and regulations related to sales, advertising, and marketing; underwriting and rating; claims practices; and consumer complaints.

### Sales, Advertising, and Marketing

4. In 22% (22 of 100) of the homeowner policies reviewed, Esurance used agents that were not appointed to issue or service policies.
5. In 10% (10 of 100) of the private passenger policies reviewed, Esurance used agents that were not appointed to issue or service policies.

### Underwriting and Rating – Homeowners

6. In 100% (100 of 100) of the issued policies reviewed, Esurance did not issue the revised version of the Credit Information Disclosure notice.

### Claims – Homeowners

7. In 1% (1 of 100) of the claims payments reviewed, Esurance used an adjuster who was not licensed.
8. In 4% (4 of 100) of the claims payments reviewed, Esurance failed to adopt and implement reasonable standards for the prompt investigation of a claim.
9. In 3% (3 of 100) of the claims payments reviewed, Esurance did not attempt in good faith to effect a prompt, fair, and equitable settlement when liability was reasonably clear.
10. In 2% (2 of 100) of the claims payments reviewed, Esurance did not notify the insured in writing of an initial offer to settle a claim against the insured.
11. In 2% (2 of 100) of the claims payments reviewed, Esurance did not notify the insured in writing of a claim settlement against the insured.
12. In 2% (1 of 46) of the claims denied or closed without payment reviewed, Esurance failed to adopt and implement reasonable standards for the prompt investigation of a claim.

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13. In 2% (1 of 46) of the claims denied or closed without payment reviewed, Esurance failed to investigate the claim.
14. In 2% (1 of 46) of the claims denied or closed without payment reviewed, Esurance failed to request from the claimant all items, statements, and forms within 15 days.
15. In 4% (2 of 46) of the claims denied or closed without payment reviewed, Esurance failed to notify the claimant in writing of the rejection of the claim not later than the 15th business day.

### Complaints – Homeowners

16. Of the six complaints reviewed, one was considered confirmed.

### Underwriting and Rating – Private Passenger Automobile

17. In 100% (100 of 100) of the issued policies reviewed, Esurance did not issue the revised version of the Credit Information Disclosure notice.

### Claims – Private Passenger Automobile

18. In 20% (22 of 110) of the claims payments reviewed, Esurance failed to provide, or provide timely, the claimant with the required Notice of Rights Regarding Repair of Motor Vehicle.
19. In 1% (1 of 110) of the claims payments reviewed, Esurance did not have a properly licensed adjuster.
20. In 19% (21 of 110) of the claims payments reviewed, Esurance failed to adopt and implement reasonable standards for the prompt investigation of a claim. In four instances, Esurance did not follow up on a claim for over 60 days.
21. In 9% (10 of 110) of the claims payments reviewed, Esurance did not attempt in good faith to effect a prompt, fair, and equitable settlement when liability was reasonably clear. In two instances, Esurance delayed presenting a settlement offer to the claimant more than 75 days after receiving the requested documentation to pay the claim.

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22. In 2% (2 of 110) of the claims payments reviewed, Esurance failed to acknowledge receipt of the claim not later than the 15th day.
23. In 5% (5 of 110) of the claims payments reviewed, Esurance failed to investigate the claim. In one instance, Esurance did not begin any investigation of the claim until after 75 days.
24. In 5% (5 of 110) of the claims payments reviewed, Esurance failed to request from the claimant all items, statements, and forms within 15 days. In one instance, Esurance delayed the claim more than 75 days before attempting to request the required documentation.
25. In 1% (1 of 110) of the claims payments reviewed, Esurance did not pay the claim not later than the 5th business day.
26. In 4% (4 of 110) of the claims payments reviewed, Esurance did not notify the insured in writing of an initial offer to settle a claim against the insured.
27. In 13% (14 of 110) of the claims payments reviewed, Esurance did not notify the insured in writing of a claim settlement against the insured.
28. In 44% (11 of 25) of the total loss claims reviewed, Esurance failed to provide, or provide timely, the claimant with the required Notice of Rights Regarding Repair of Motor Vehicle.
29. In 16% (4 of 25) of the total loss claims reviewed, Esurance failed to adopt and implement reasonable standards for the prompt investigation of a claim.
30. In 16% (4 of 25) of the total loss claims reviewed, Esurance did not attempt in good faith to effect a prompt, fair, and equitable settlement when liability was reasonably clear.
31. In 4% (1 of 25) of the total loss claims reviewed, Esurance failed to acknowledge receipt of the claim not later than the 15th day.
32. In 4% (1 of 25) of the total loss claims reviewed, Esurance did not notify the insured in writing of a claim settlement against the insured.

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33. In 8% (4 of 50) of the claims denied or closed without payment reviewed, Esurance failed to adopt and implement reasonable standards for the prompt investigation of a claim. Delays in claim investigations ranged from 60 days to more than four months.
34. In 4% (2 of 50) of the claims denied or closed without payment reviewed, Esurance did not attempt in good faith to effect a prompt, fair, and equitable settlement when liability was reasonably clear.
35. In 6% (3 of 50) of the claims denied or closed without payment reviewed, Esurance failed to acknowledge receipt of the claim not later than the 15th day.
36. In 8% (4 of 50) of the claims denied or closed without payment reviewed, Esurance failed to commence any investigation of the claim. In two instances, Esurance did not begin any investigation of the claim until after 60 days.
37. In 8% (4 of 50) of the claims denied or closed without payment reviewed, Esurance failed to request from the claimant all items, statements, and forms within 15 days. In two instances, Esurance delayed the claim more than 60 days before attempting to request the required documentation.
38. In 4% (1 of 25) of the pending claims reviewed, Esurance failed to acknowledge receipt of the claim not later than the 15th day.
39. In 8% (2 of 25) of the pending claims reviewed, Esurance failed to investigate the claim.
40. In 8% (2 of 25) of the pending claims reviewed, Esurance failed to request from the claimant all items, statements, and forms within 15 days.

### Complaints – Private Passenger Automobile

41. Of the 39 complaints reviewed, 19 were considered confirmed.
42. In 3% (1 of 39) of the complaints reviewed, Esurance failed to provide, or provide timely, the claimant with the required Notice of Rights Regarding Repair of Motor Vehicle.

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43. In 3% (1 of 39) of the complaints reviewed, Esurance failed to respond to TDI not later than the 15th day after the date the inquiry was received.
44. In 36% (14 of 39) of the complaints reviewed, Esurance failed to adopt and implement reasonable standards for the prompt investigation of a claim. In four instances, Esurance did not conduct any investigation of the claims until receiving a complaint from TDI. In five instances, Esurance did not follow up on the claim for over 75 days.
45. In 15% (6 of 39) of the complaints reviewed, Esurance did not attempt in good faith to effect a prompt, fair, and equitable settlement when liability was reasonably clear. In three instances, Esurance delayed presenting a settlement offer to the claimant for more than 75 days after receiving requested documentation to pay the claim.
46. In 8% (3 of 39) of complaints reviewed, Esurance failed to investigate the claim. In one instance, Esurance did not investigate the claim until receiving a complaint from TDI.
47. In 8% (3 of 39) of complaints reviewed, Esurance failed to request from the claimant all items, statements, and forms within 15 days.

### Conclusions of Law

1. The commissioner has jurisdiction over this matter under TEX. INS. CODE §§ 82.051–82.055, 84.021–84.044, 751.001 *et seq.*, 801.051–801.053, 861.101 *et seq.*, 862.051, and 982.052.
2. The commissioner has the authority to informally dispose of this matter as set forth in TEX. GOV'T CODE § 2001.056, and TEX. INS. CODE §§ 36.104 and 82.055.
3. Esurance 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 intention to institute disciplinary action, notice of hearing, a public hearing, a proposal for decision, rehearing by the commissioner, and judicial review.
4. Esurance violated TEX. INS. CODE § 38.001(c) by failing to respond to an inquiry no later than the 15th day after the date the inquiry was received.

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5. Esurance violated TEX. INS. CODE § 542.003(b)(3) by failing to adopt and implement reasonable standards for the prompt investigation of a claim.
6. Esurance violated TEX. INS. CODE § 542.003(b)(4) by not attempting in good faith to effect a prompt, fair, and equitable settlement when liability was reasonably clear.
7. Esurance violated TEX. INS. CODE § 542.055(a)(1) by failing to acknowledge receipt of the claim not later than the 15th day.
8. Esurance violated TEX. INS. CODE § 542.055(a)(2) by failing to commence any investigation of a claim.
9. Esurance violated TEX. INS. CODE § 542.055(a)(3) by failing to request from the claimant all items, statements, and forms within 15 days.
10. Esurance violated TEX. INS. CODE § 542.056(a) by failing to notify the claimant in writing of the rejection of the claim not later than the 15th business day.
11. Esurance violated TEX. INS. CODE § 542.057(a) by not paying a claim not later than the 5th business day.
12. Esurance violated TEX. INS. CODE § 542.153(a) by not notifying the insured in writing of an initial offer to settle a claim against the insured.
13. Esurance violated TEX. INS. CODE § 542.153(b) by not notifying the insured in writing of a claim settlement against the insured.
14. Esurance violated TEX. INS. CODE § 1952.305 and 28 TEX. ADMIN. CODE § 5.501 by failing to provide, or provide timely, the claimant with the required Notice of Rights Regarding Repair of Motor Vehicle.
15. Esurance violated TEX. INS. CODE § 4001.201 by using agents that were not appointed to issue or service policies.
16. Esurance violated TEX. INS. CODE § 4101.051 by using an adjuster who was not licensed.

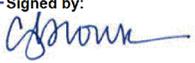
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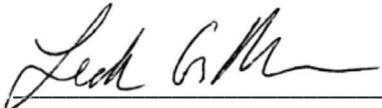
17. Esurance violated 28 TEX. ADMIN. CODE § 5.9940 by failing to issue the revised version of the Credit Information Disclosure notice.

## Order

It is ordered that Esurance Insurance Company pay an administrative penalty of \$90,000 within 30 days from the date of this order. The administrative penalty must be paid as instructed in the invoice, which the department will send after entry of this order.

Signed by:  
  
FC5D7EDDFFBB4F8...  
Cassie Brown  
Commissioner of Insurance

Recommended and reviewed by:

  
Leah Gillum, Deputy Commissioner  
Fraud and Enforcement Division

  
Sydney Rosales, Staff Attorney  
Enforcement

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**Affidavit**

**STATE OF** Virginia §

§

**COUNTY OF** Hampton City §

Before me, the undersigned authority, personally appeared JavierEspinosa,  
who being by me duly sworn, deposed as follows:

“My name is Javier Espinosa. I am of sound mind, capable of making  
this statement, and have personal knowledge of these facts which are true and correct.

I hold the office of Sr. Manager, Market Conduct and am the authorized representative of  
Esurance Insurance Company. I am duly authorized by said organization to execute this  
statement.

Esurance Insurance Company has knowingly and voluntarily entered into the foregoing  
consent order and agrees with and consents to the issuance and service of the same by  
the commissioner of insurance of the state of Texas.”

Javier Espinosa

Affiant

SWORN TO AND SUBSCRIBED before me on January 5, 2026.  
This notarial act was performed: (check one) physical presence XX remote notarization  
(NOTARY SEAL)

\_\_\_\_\_  
Signature of Notary Public

Natasha A Stromley

\_\_\_\_\_  
Printed Name of Notary Public

My Commission Expires: 09/30/2025

Commission # 7678888

Remotely notarized online using two-way audio-video communication.