

No. **2026-9798**

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

Date: 2/12/2026

Subject Considered:

Safety National Casualty Corporation
1832 Schuetz Road
Saint Louis, Missouri 63146-3540

Consent Order
DWC Enforcement File Nos. 37841, 37870, 37928, & 37929

General remarks and official action taken:

This is a consent order with Safety National Casualty Corporation (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 workers' compensation/employers' liability insurance in Texas.
2. Respondent was classified as "average" tier in the 2020, 2022, and 2024 Performance Based Oversight (PBO) assessments.

Failure to Timely Pay Accrued Income Benefits Based on a Designated Doctor (DD) Report and Timely Pay Accrued Impairment Income Benefits (IIBs).

File No. 37841

3. On [REDACTED], Respondent received a DD report of a DD examination performed on [REDACTED].
4. The DD determined that the injured employee reached maximum medical improvement (MMI) on [REDACTED], with a [REDACTED] impairment rating (IR).
5. Respondent was required to pay [REDACTED] in accrued IIBs no later than five days after receiving the DD report. The deadline to pay benefits was [REDACTED].
6. On [REDACTED], Respondent paid [REDACTED] in IIBs 23 days late, underpaying IIBs by [REDACTED]. Respondent did not pay interest.
7. Respondent was required to pay IIBs to the injured employee from [REDACTED], through [REDACTED]. The IIBs payments were due seven days after the first day of the pay period. Respondent failed to timely pay [REDACTED] in IIBs, as follows:

	Payment Period	Date Due	Date Paid	Days Late
a.	[REDACTED]	[REDACTED]	[REDACTED]	76
b.	[REDACTED]	[REDACTED]	[REDACTED]	69
c.	[REDACTED]	[REDACTED]	[REDACTED]	62
d.	[REDACTED]	[REDACTED]	[REDACTED]	55
e.	[REDACTED]	[REDACTED]	[REDACTED]	48
f.	[REDACTED]	[REDACTED]	[REDACTED]	41
g.	[REDACTED]	[REDACTED]	[REDACTED]	34

8. Respondent also corrected the [REDACTED] underpayment on [REDACTED], 79 days late.
9. Respondent paid interest on [REDACTED], for the late IIBs payment on [REDACTED], [REDACTED] 56 days late.

Failure to Timely Pay Accrued Temporary Income Benefits (TIBs) Based on a DD Report

File No. 37870

10. On [REDACTED], Respondent received a DD report of a DD examination performed on [REDACTED].
11. The DD determined that the injured employee had disability from [REDACTED], to [REDACTED].
12. Respondent was required to pay [REDACTED] in accrued TIBs no later than five days after receiving the DD report. The deadline to pay benefits was [REDACTED] 2025.
13. On [REDACTED], Respondent paid the [REDACTED] in TIBs 43 days late.
14. On [REDACTED], Respondent paid interest 119 days late.

Failure to Timely and Accurately Pay IIBs Based on a DD Report

File No. 37929

15. On [REDACTED], Respondent received a DD report of a DD examination performed on [REDACTED].
16. The DD determined that the injured employee reached MMI on [REDACTED] 2023, with a [REDACTED] IR.
17. Respondent was required to pay [REDACTED] in accrued IIBs no later than five days after receiving the DD report. The deadline to pay benefits was [REDACTED] 2025.
18. On [REDACTED], Respondent initiated [REDACTED] in IIBs by lump sum after reducing the IIBs by [REDACTED] for attorney fees. Respondent should have reduced the IIBs by [REDACTED]. Also, Respondent did not pay interest.
19. By [REDACTED], Respondent owed [REDACTED] in IIBs.
20. On [REDACTED], Respondent paid the [REDACTED] in IIBs 72 days late. Respondent did not pay interest.

21. On [REDACTED], Respondent paid [REDACTED] in interest 118 days late.

Failure to Timely Pay Attorney Fees

File No. 37928

22. This is the same claim from Enforcement File No. 37929 above.

23. On [REDACTED], and [REDACTED], DWC ordered Respondent to pay [REDACTED] in attorney fees for representing the injured employee at a rate of 25% of each income benefit paid to the injured employee.

24. After a lengthy dispute, Respondent was obligated to initiate IIBs on [REDACTED] (see above), triggering Respondent's obligation to pay attorney's fees as well

25. On [REDACTED], Respondent initiated [REDACTED] in IIBs to the injured employee by lump sum after reducing the IIBs by [REDACTED] for attorney fees. However, Respondent did not pay the withheld amount to the attorney.

26. On [REDACTED], Respondent paid [REDACTED] in attorney fees 75 days late.

Assessment of Sanction

1. Failure to provide income benefits in a timely and cost-effective manner is harmful to injured employees and the Texas workers' compensation system.
2. Failure to timely pay attorney fees ordered by DWC hinders the division's goal of providing a fair and accessible dispute resolution process and is harmful to the Texas workers' compensation system.
3. 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;
 - 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.
4. DWC found the following factors in Tex. Lab. Code § 415.021(c) and 28 Tex. Admin. Code § 180.26(e) to be aggravating:
- a. the violations are serious, involving more than [REDACTED] in benefits delivered between 23 and 79 days late, violation of a DWC order to pay attorney fees for 75 days, and non-compliance with an interest payment until DWC involvement;
 - b. Respondent has a history of similar administrative violations, including 14 consent orders and one warning letter involving similar conduct;
 - c. a penalty is necessary to deter future violations;
 - d. the violations negatively impacted the delivery of [REDACTED] in benefits to three injured employees; and
 - e. Respondent has a heightened awareness of the legal duty to comply with the Texas Workers' Compensation Act and DWC rules. Respondent was the sixth highest recidivist in fiscal year 2025, but does not appear on DWC's list of the 40 largest workers compensation carriers in Texas.¹
5. DWC is aware of no mitigating factors pursuant to Tex. Lab. Code § 415.021(c) and 28 Tex. Admin. Code § 180.26(e).
6. 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

¹ <https://www.tdi.texas.gov/company/top40.html>

factors DWC considered under Tex. Lab. Code § 415.021(c) and 28 Tex. Admin. Code § 180.26(e).

7. 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.
5. Pursuant to Tex. Lab. Code § 415.002(a)(20) and (22), an insurance carrier or its representative commits an administrative violation each time it violates a DWC rule or a provision of the Texas Workers' Compensation Act.

Failure to Pay Accrued Income Benefits Based on a DD Report

File Nos. 37841, 37870, & 37929

6. Pursuant to Tex. Lab. Code §§ 408.081, 409.023, and 415.002(a)(16), an insurance carrier must pay benefits weekly, as and when the benefits accrue, without order from the commissioner.
7. Pursuant to Tex. Lab. Code § 408.0041(f), an insurance carrier must pay benefits based on the opinion of the DD during any pending dispute.

8. Pursuant to 28 Tex. Admin. Code § 127.10(i), an insurance carrier must pay all benefits in accordance with the DD report for the issues in dispute no later than five days after receiving the report.
9. Respondent violated Tex. Lab. Code §§ 409.023; 415.002(a)(16), (20), and (22); and 28 Tex. Admin. Code § 127.10(i) by failing to timely pay accrued income benefits in accordance with the DD report no later than five days after receiving the report.

Failure to Timely Pay Accrued IIBs

File No. 37841

10. Pursuant to Tex. Lab. Code §§ 408.081, 409.023, and 415.002(a)(16), an insurance carrier must pay benefits weekly, as and when the benefits accrue, without order from the commissioner.
11. Pursuant to Tex. Lab. Code § 408.121(b) and 28 Tex. Admin. Code § 130.8, an employee's entitlement to IIBs begins the day after the employee reaches MMI and, when the date of MMI is not disputed, the carrier shall initiate payment of IIBs on or before the fifth day after the date of receipt of the employee's treating doctor's medical evaluation report.
12. Respondent violated Tex. Lab. Code §§ 408.121 and 415.002(a)(16) and (22) each time Respondent failed to timely pay IIBs.

Failure to Timely Pay Attorney Fees Ordered by DWC

File No. 37928

13. 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.
14. Pursuant to 28 Tex. Admin. Code § 152.1(c), insurance carriers are required to pay attorney fees ordered by DWC. The insurance carrier must begin payment out of the approved income benefits by mailing a check to the attorney within seven days

after receiving the order. As the insurance carrier pays income benefits, it must pay attorney fees until the fees are completely paid or income benefits cease.

15. Respondent violated Tex. Lab. Code §§ 415.002(a)(20) and (22); 415.021(a); 415.0035(e); and 28 Tex. Admin. Code § 152.1(c) by failing to timely comply with a DWC order to pay attorney fees.

Failure to Timely Pay Interest with Indemnity Benefits


File Nos. 37841, 37870, & 37929

16. Pursuant to Tex. Lab. Code § 408.064 and 28 Tex. Admin. Code § 126.12(b), accrued but unpaid income benefits and interest shall be paid in a lump sum.
17. Respondent violated Tex. Lab. Code §§ 408.064; 415.002(a)(20) and (22); and 28 Tex. Admin. Code § 126.12(b) each time Respondent failed to timely pay interest with accrued but unpaid income benefits.

Order


It is ordered that Safety National Casualty Corporation must pay an administrative penalty of \$16,650 within 30 days from the date the Commissioner signs the order.

After receiving an invoice, Safety National Casualty Corporation must pay the administrative penalty by electronic transfer using the State Invoice Payment Service, 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, PO Box 12030, Austin, Texas 78711-2030.



Jeff Nelson
Commissioner
TDI, Division of Workers' Compensation

Approved Form and Content:



Tyrus Housh
Staff Attorney, Enforcement
Compliance and Investigations
TDI, Division of Workers' Compensation

