

No. **2026-9854**

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

**Date: 3/26/2026**

**Subject Considered:**

Indemnity Insurance Company of North America  
115 Wild Basin Road, Suite 207  
West Lake Hills, Texas 78746-3347

Consent Order  
DWC Enforcement File Nos. 37926 & 37987

**General remarks and official action taken:**

This is a consent order with Indemnity Insurance Company of North America (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 Produce an Injured Employee's Medical Records to a Designated Doctor

*File No. 37926*

3. On March 12, 2025, DWC ordered an injured employee to attend a Designated Doctor (DD) exam on April 18, 2025.
4. On March 13, 2025, Respondent received notice of the DD exam and a request to produce the injured employee's medical records to the DD.
5. Respondent was required to provide the injured employee's medical records to the DD no later than three working days prior to the exam, or by April 15, 2025.
6. On April 22, 2025, Respondent sent the records to the DD seven days late.
7. The DD exam was rescheduled to May 10, 2025, due to the delay in providing the injured employee's medical records.

*File No. 37987*

8. On June 27, 2025, DWC ordered an injured employee attend a DD exam on July 22, 2025.
9. On June 30, 2025, Respondent received notice of the DD exam and a request to produce the injured employee's medical records to the DD.
10. Respondent was required to provide the injured employee's medical records to the DD no later than three working days prior to the exam, or by July 17, 2025.
11. On July 30, 2025, DWC approved a request for additional time from the DD for neurological evaluation of the injured employee.
12. On Aug. 14, 2025, Respondent provided the medical records to the DD 28 days late.

### **Assessment of Sanction**

1. Failure to timely produce medical records has a negative impact on the delivery of benefits to an injured employee and is harmful to the injured employee and to the Texas workers' compensation system.
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:
  - a. the violations are serious and delayed the production of two DD reports, which play a critical role in the Texas Workers' Compensation system;
  - b. Respondent has a history of similar administrative violations;
  - c. a penalty is necessary to deter future violations; and
  - d. Respondent has a heightened awareness of the legal duty to comply with the Texas Workers' Compensation Act and DWC rules. Respondent is the 11th largest Texas Workers' Compensation insurance carrier and had the highest number of violations in fiscal year 2025.

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; 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.

Failure to Timely Produce an Injured Employee's Medical Records to a DD

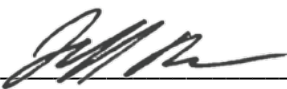
*File Nos. 37926 & 37987*

6. Pursuant to 28 Tex. Admin. Code § 127.10(a)(3), the insurance carrier shall ensure that the required records and analyses (if any) are received by the DD no later than three working days prior to the date of the DD examination.
7. Respondent violated Tex. Lab. Code § 415.002(a)(20) and 28 Tex. Admin. Code § 127.10(a)(3) each time Respondent failed to provide an injured employee's medical records to the DD no later than three working days prior to the date of the exam.


**Order**

It is ordered that Indemnity Insurance Company of North America must pay an administrative penalty of \$1,700 within 30 days from the date the Commissioner signs the order.

After receiving an invoice, Indemnity Insurance Company of North America 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.

  
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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

**Unsworn Declaration**

**STATE OF** Delaware §  
§  
**COUNTY OF** New Castle §

Pursuant to the Tex. Civ. Prac. and Rem. Code § 132.001(a), (b), and (d), my name is Daniel S. Hawthorne. I hold the position of VP, Claims Compliance and am the authorized representative of Indemnity Insurance Company of North America. My business address is:

1 Beaver Valley Road, Wilmington, New Castle, Delaware, 19803.  
(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.

*Daniel S. Hawthorne*  
Declarant

Executed on January 14, 2026.