Confidential Information Redacted
Texas Labor Code §§402.083 and 402.092

No. 2026-9981

Official Order
of the
Texas Commissioner of Workers' Compensation

Date: 6/18/2026

Subject Considered:

AIU Insurance Company
PO Box 201329
Austin, Texas 78720-1329

Consent Order
DWC Enforcement File Nos. 38528, 38529, 38530, 38579, & 38816

General remarks and official action taken:

This is a consent order with AIU 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 2024 and 2022 Performance Based Oversight (PBO) assessments. Respondent was not selected to be tiered in the 2020 PBO assessment.

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Failure to Pay Supplemental Income Benefits (SIBs)

File No. 38528

3. On Oct. 29, 2025, Respondent received a *Notice of Entitlement to SIBs*, for the first quarter. The first quarter of SIBs began on Nov. 5, 2025.

4. Respondent's payment for the first month of the first quarter was due by the 10th day after Respondent received DWC's determination of entitlement or the seventh day of the first quarter, whichever was later. In this case, the latest date was Nov. 11, 2025.

5. Additionally, Respondent's payment for the second month of the first quarter was due by the 37th day of the quarter, or by Dec. 18, 2025.

6. On Jan. 12, 2026, Respondent paid $1,532.46 in SIBs for the first month of the first quarter 62 days late.

7. On Jan. 13, 2026, Respondent paid $1,532.46 in SIBs for the second month of the first quarter 26 days late.

Failure to Timely Pay or Dispute Initial Temporary Income Benefits (TIBs)

File No. 38529

8. On [redacted], Respondent received notice of an employee's workplace injury.

9. The injured employee's first day of disability began on [redacted]. The eighth day of disability accrued on [redacted].

10. Respondent was required to initiate or dispute TIBs either 15 days after it received written notice of the injury or seven days after the accrual date, whichever was later. In this case, the latest date was Oct. 30, 2025.

11. On Dec. 11, 2025, Respondent issued a Plain Language Notice Form-1, *Notice of Denial of Compensability/Liability and Refusal to Pay Benefits*, denying the compensability of the claim.

12. On Dec. 12, 2025, Respondent initiated $1,562.63 in TIBs 43 days late.

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File No. 38816

13. The injured employee's first day of disability began on Nov. 1, 2025.

14. On Nov. 7, 2025, Respondent received notice of an employee's workplace injury.

15. The eighth day of disability accrued on Nov. 8, 2025.

16. Respondent was required to initiate or dispute TIBs either 15 days after it received written notice of the injury or seven days after the accrual date, whichever was later. In this case, the latest date was Nov. 24, 2025.

17. On Dec. 24, 2025, Respondent initiated $1,814 in TIBs 30 days late.

Failure to Pay Accrued Impairment Income Benefits (IIBs) Based on a Certifying Doctor Report

File No. 38530

18. On Aug. 19, 2025, Respondent received a certifying doctor (CD) report of a CD examination performed on Aug. 2, 2025.

19. The CD determined that the injured employee reached maximum medical improvement (MMI) on [redacted], with a [redacted] impairment rating.

20. Since there was no dispute, Respondent was required to pay accrued IIBs no later than five days after receiving the CD report, or by Aug. 25, 2025.

21. On Sept. 8, 2025, Respondent paid $8,530 in IIBs 14 days late.

22. On Sept. 25, 2025, Respondent paid an additional $9,383 in IIBs 31 days late.

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Failure to Continue to Pay Accrued TIBs

File No. 38579

23. Between June 23, 2025, to Sept. 16, 2025, Respondent paid an injured employee TIBs.

24. On Sept. 17, 2025, the injured employee was returned to full duty and Respondent suspended TIBs.

25. On Sept. 25, 2025, Respondent received a work status report placing restrictions on the injured employee's ability to return to work.

26. Respondent was required to pay TIBs to the injured employee from Sept. 25, 2025, through Oct. 5, 2025. The TIBs payments were due seven days after the first day of the pay period. Respondent failed to timely pay $1,082 in TIBs, as follows:

	Payment Period	**Date Due**	**Date Paid**	**Days Late**
a.	09-22-2025 to 09-28-2025	09-29-2025	10-01-2025	2
b.	09-29-2025 to 10-05-2025	10-06-2025	10-08-2025	2

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. 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:

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- 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 seriousness of the violation, including $ 25,436.55 in benefits delivered up to 62 days late;
   b. Respondent's history of administrative violations, including 39 consent orders in the last two years;
   c. the penalty necessary to deter future violations;
   d. the negative impact on the delivery of $25,436.55 in benefits to multiple injured employees;
   e. Respondent's conduct impacted several kinds of benefits, suggesting a possible systems issue; and
   f. Respondent's size and sophistication, including Respondent's status as the 12th largest workers compensation carrier in Texas. Further, Respondent had the second highest number of violations in fiscal year 2025, which demonstrates a 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 mitigating:
   a. in file no. 38530, the economic harm was lessened because the injured employee had returned to work at pre-injury wages when the CD exam occurred.

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).

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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) 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 SIBs

File No. 38528

6. Pursuant to Tex. Lab. Code § 408.144, SIBs are calculated quarterly and paid monthly.

7. Pursuant to Tex. Lab. Code § 408.145, an insurance carrier must pay SIBs no later than the seventh day after the employee's impairment income benefit period expires and must continue to pay the benefits in a timely manner.

8. Pursuant to Tex. Lab. Code § 409.023, an insurance carrier must continue to pay benefits promptly as and when benefits accrue without a final decision, order, or other action from the commissioner, except as otherwise provided.

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9. Pursuant to 28 Tex. Admin. Code § 130.107, an insurance carrier must make the first payment of SIBs for the first quarter by the 10th day after receiving a DWC determination of entitlement or the seventh day of the quarter. An insurance carrier must make the second payment by the 37th day of the quarter and the third payment by the 67th day of the quarter.

10. Respondent violated Tex. Lab. Code §§ 408.145; 409.023; 415.002(a)(20) and (22); and 28 Tex. Admin. Code § 130.107 by failing to timely pay SIBs.

Failure to Pay or Dispute Initial TIBs

File No. 38529 & 38816

11. Pursuant to Tex. Lab. Code § 408.101, an employee is entitled to TIBs if the employee has a disability and has not attained MMI.

12. Pursuant to Tex. Lab. Code §§ 408.081; 408.082; 409.021; and 28 Tex. Admin. Code §§ 124.3 and 124.7, an insurance carrier is required to initiate payment of TIBs no later than the 15th day after it receives written notice of the injury or the seventh day after the accrual date, unless the insurance carrier notifies DWC and the injured employee in writing of its refusal to pay.

13. Pursuant to 28 Tex. Admin. Code § 124.3(a)(2), if the insurance carrier files a Notice of Denial after the 15th day but on or before the 60th day after receipt of written notice of the injury, then the insurance carrier shall pay all income benefits that had accrued and were payable prior to the date the insurance carrier filed the Notice of Denial.

14. Respondent violated Tex. Lab. Code §§ 409.021; 415.002(a)(16), (20), and (22); and 28 Tex. Admin. Code §§ 124.3 and 124.7 by failing to timely pay or dispute initial TIBs.

Failure to Pay Accrued IIBs Based on a CD Report

File No. 38530

15. 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.

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16. Pursuant to Tex. Lab. Code § 408.121(b), an insurance carrier must pay IIBs no later than five days after the carrier receives the doctor's report certifying MMI.

17. Pursuant to 28 Tex. Admin. Code § 130.8, an insurance carrier must pay benefits in accordance with the treating doctor's medical evaluation report no later than five days after receiving the treating doctor's medical evaluation report when MMI is not disputed.

18. Respondent violated Tex. Lab. Code §§ 408.121(b); 409.023; and 415.002(a)(16), (20), and (22); and 28 Tex. Admin. Code § 130.8 by failing to timely pay accrued income benefits within five days of receiving the CD report.

Failure to Pay Accrued TIBs

File No. 38579

19. 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.

20. Pursuant to Tex. Lab. Code §§ 408.081, 408.082, and 28 Tex. Admin. Code § 124.7, an insurance carrier is required to initiate payment of TIBs no later than the seventh day after the accrual date.

21. Respondent violated Tex. Lab. Code §§ 409.023; 415.002(a)(16), (20), and (22); and 28 Tex. Admin. Code § 124.7 each time Respondent failed to initiate TIBs.

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Order

It is ordered that AIU Insurance Company must pay an administrative penalty of $19,500 within 30 days from the date the Commissioner signs the order.

After receiving an invoice from DWC, AIU Insurance Company must pay the administrative penalty either: (1) by electronic transfer using the State Invoice Payment Service; OR (2) by company check, cashier's check, or money order.

To ensure proper check or money order processing:

- Make the check payable to "Texas Division of Workers' Compensation";
- Enclose a copy of the attached invoice with the check or money order; and
- Mail the check or money order 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:

_____

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

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Unsworn Declaration

STATE OF New York §
§
COUNTY OF New York §

Pursuant to the Tex. Civ. Prac. and Rem. Code § 132.001(a), (b), and (d), my name is Ross Goldstein. I hold the position of Vice President and am the authorized representative of AIU Insurance Company. My business address is:

1271 Avenue o the Americas (Street), New York (City), NY (County), NY (State), 10020 (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.

DocuSigned by:
Ross Goldstein
680391BC6C7A45D...
Declarant

May 21, 2026 | 11:52 AM PDT
Executed on_____, 2026.

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