

No. **2024-8509**

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

**Date: 1/30/2024**

**Subject Considered:**

Katy ISD  
PO Box 159  
Katy, Texas 77492-0159

Consent Order  
DWC Enforcement File No. 33312

**General remarks and official action taken:**

This is a consent order with Katy ISD (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 is a self-insured governmental entity that provides workers' compensation benefits to its employees collectively through the Texas Association of School Boards (TASB) Risk Management Fund in accordance with Tex. Lab. Code Ch. 504.
2. Respondent was not selected to be tiered in any years' Performance Based Oversight (PBO) assessments. TASB Risk Management Fund was classified as "high" tier in the 2022, 2022, and 2018 PBO assessments.

Failure to Timely Pay or Deny a Request for Reimbursement of Medical Expenses

3. On [REDACTED], Respondent received a request for reimbursement for health care expenses paid for by an injured employee in the amount of \$ [REDACTED].
4. Respondent was required to pay or deny the request not later than the 45th day after receipt, or by [REDACTED].
5. On [REDACTED], Respondent reimbursed a partial amount of \$ [REDACTED] to the injured employee for the request, which was 129 days late.

**Assessment of Sanction**

1. Prompt reimbursement of medical bills is imperative to DWC's goal of ensuring that injured employees have access to prompt, high-quality medical care.
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: 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 penalty necessary to deter future violations; whether the administrative violation had a negative impact on the delivery of benefits to an injured employee; and to the extent reasonable, the economic benefit resulting from the prohibited act.
4. DWC found the following mitigating factors pursuant to Tex. Lab. Code § 415.021(c) and 28 Tex. Admin. Code § 180.26(e): Respondent's status as a governmental entity that self-insures collectively in a joint fund with no history of the same type of administrative violation, and TASB Risk Management Fund's PBO status.
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, 402.00111, 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), an insurance carrier, including a governmental entity that self-insures collectively, or its representative commits an administrative violation each time it violates a DWC rule.
6. Pursuant to 28 Tex. Admin. Code § 133.270, an insurance carrier, including a governmental entity that self-insures collectively, shall pay or deny an injured employee's request for reimbursement for paid health care not later than the 45th day after the date of the request.
7. Respondent violated Tex. Lab. Code § 415.002(a)(20) and 28 Tex. Admin. Code §§ 133.270 by failing to pay or deny an injured employee's request for reimbursement for paid health care expenses not later than the 45th day after the date of the requests.

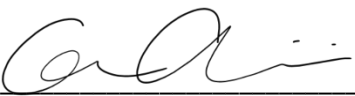
**Order**

It is ordered that Katy ISD must pay an administrative penalty of \$1,000 within 30 days from the date the Commissioner signs this order.

After receiving an invoice, Katy ISD 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, P.O. Box 12030, Austin, Texas 78711-2030.

  
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Jeff Nelson  
Commissioner  
TDI, Division of Workers' Compensation

Approved Form and Content:

  
\_\_\_\_\_  
Connor Ambrosini  
Staff Attorney, Enforcement  
Compliance and Investigations  
TDI, Division of Workers' Compensation

