

No. **2025-9088**

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

Date: 1/22/2025

Subject Considered:

Church Mutual Insurance Company, S.I.
3000 Schuster Lane
Merrill, Wisconsin 54452-3863

Consent Order
DWC Enforcement File No. 35386

General remarks and official action taken:

This is a consent order with Church Mutual Insurance Company, S.I. (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 and 2022 Performance Based Oversight (PBO) assessments. Respondent was not selected to be tiered in the 2024 PBO assessment.

Failure to Comply with DWC Attorney Fee Orders

3. Between [REDACTED], and [REDACTED], DWC ordered Respondent to pay [REDACTED] in attorney fees for representing an injured employee to be paid at a rate of 25% of each income benefit paid to the injured employee.
4. Between [REDACTED], and [REDACTED], Respondent paid the attorney fees approved by DWC. Instead of paying at the ordered rate of 25% of the income benefits paid to the injured employee, Respondent paid the entire attorney's fee as follows:

	Order Number	Approved Attorney Fees	Date Received	Date Paid
a.	1	\$ [REDACTED]	[REDACTED]	[REDACTED]
b.	2	\$ [REDACTED]	[REDACTED]	[REDACTED]
c.	3	\$ [REDACTED]	[REDACTED]	[REDACTED]
d.	4	\$ [REDACTED]	[REDACTED]	[REDACTED]
e.	5	\$ [REDACTED]	[REDACTED]	[REDACTED]
f.	7	\$ [REDACTED]	[REDACTED]	[REDACTED]
g.	11	\$ [REDACTED]	[REDACTED]	[REDACTED]
h.	12	\$ [REDACTED]	[REDACTED]	[REDACTED]

Failure to Timely Pay Attorney Fees Ordered by DWC

5. Between [REDACTED], and [REDACTED], Respondent also failed to timely pay \$ [REDACTED] in attorney fees as follows:

	Benefits Paid to IE	Attorney Fee Owed	Date Due	Date Paid	Days Late
a.	\$ [REDACTED]	\$ [REDACTED]	[REDACTED]	[REDACTED]	22
b.	\$ [REDACTED]	\$ [REDACTED]	[REDACTED]	[REDACTED]	15
c.	\$ [REDACTED]	\$ [REDACTED]	[REDACTED]	[REDACTED]	8
d.	\$ [REDACTED]	\$ [REDACTED]	[REDACTED]	[REDACTED]	1
e.	\$ [REDACTED]	\$ [REDACTED]	[REDACTED]	[REDACTED]	8
f.	\$ [REDACTED]	\$ [REDACTED]	[REDACTED]	[REDACTED]	3
g.	\$ [REDACTED]	\$ [REDACTED]	[REDACTED]	[REDACTED]	1
h.	\$ [REDACTED]	\$ [REDACTED]	[REDACTED]	[REDACTED]	18

i.	\$		\$					12
j.	\$		\$					1
k.	\$		\$					6
l.	\$		\$					59
m.	\$		\$					34
n.	\$		\$					20

Assessment of Sanction

1. 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.

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 seriousness of the violation, including the untimely payment of 14 weeks of attorney fees, \$ [REDACTED] in economic harm to the attorney, and failure to comply with DWC attorney fee orders, which is a priority violation pursuant to Tex. Lab. Code § 415.0235; and
 - b. the penalty necessary to deter future violations.
4. DWC found the Respondent's lack of prior disciplinary history for this violation and training it provided as mitigating under 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 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)(22), an insurance carrier or its representative commits an administrative violation each time it fails to comply with a provision of the Texas Workers' Compensation Act.
6. 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.

Failure to Comply with DWC Attorney Fee Orders

7. Respondent violated Tex. Lab. Code §§ 415.002(a)(22), 415.021(a), and 415.0035(e) each time it failed to comply with a DWC order to pay attorney fees.

Failure to Timely Pay Attorney Fees Ordered by DWC

8. 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.
9. 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.
10. Respondent violated Tex. Lab. Code §§ 415.002(a)(20) and (22), 415.021(a), and 415.0035(e) and 28 Tex. Admin. Code § 152.1(c) each time it failed to timely comply with a DWC order to pay attorney fees.

Order

It is ordered that Church Mutual Insurance Company, S.I. must pay an administrative penalty of \$1,600 within 30 days from the date the Commissioner signs the order.

After receiving an invoice, Church Mutual Insurance Company, S.I. 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

Unsworn Declaration

STATE OF Wisconsin §
§
COUNTY OF Marathon §

Pursuant to the Tex. Civ. Prac. and Rem. Code § 132.001(a), (b), and (d), my name is Jennifer Laabs. I hold the position of Claim Director WC and am the authorized representative of Church Mutual Insurance Company, S.I. My business address is:

3000 Schuster Ln, Merrill, Lincoln, WI, 54471.
(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.

Jennifer Laabs
Declarant

Executed on December 13, 2024.