

No. 2025-9215

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

Date: 3/25/2025

Subject Considered:

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

Consent Order
DWC Enforcement File No. 35479

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 Timely Pay Accrued Temporary Income Benefits (TIBs)

3. Respondent was required to pay \$ [REDACTED] in weekly TIBs to an injured employee from [REDACTED], through [REDACTED]. The TIBs payments were due seven days after the first day of the pay period. Respondent failed to timely pay TIBs, as follows:

	Payment Period		Due Date	Date Paid	Days Late
a.	[REDACTED]	to [REDACTED]	[REDACTED]	[REDACTED]	3
b.	[REDACTED]	to [REDACTED]	[REDACTED]	[REDACTED]	4
c.	[REDACTED]	to [REDACTED]	[REDACTED]	[REDACTED]	3
d.	[REDACTED]	to [REDACTED]	[REDACTED]	[REDACTED]	4
e.	[REDACTED]	to [REDACTED]	[REDACTED]	[REDACTED]	4
f.	[REDACTED]	to [REDACTED]	[REDACTED]	[REDACTED]	4
g.	[REDACTED]	to [REDACTED]	[REDACTED]	[REDACTED]	4
h.	[REDACTED]	to [REDACTED]	[REDACTED]	[REDACTED]	3
i.	[REDACTED]	to [REDACTED]	[REDACTED]	[REDACTED]	32
j.	[REDACTED]	to [REDACTED]	[REDACTED]	[REDACTED]	18
k.	[REDACTED]	to [REDACTED]	[REDACTED]	[REDACTED]	4
l.	[REDACTED]	to [REDACTED]	[REDACTED]	[REDACTED]	3
m.	[REDACTED]	to [REDACTED]	[REDACTED]	[REDACTED]	2
n.	[REDACTED]	to [REDACTED]	[REDACTED]	[REDACTED]	2
o.	[REDACTED]	to [REDACTED]	[REDACTED]	[REDACTED]	2

4. Overall, Respondent's conduct negatively affected the delivery of \$ [REDACTED] in TIBs but only two payments were more than a week late (affecting the delivery of approximately \$ [REDACTED] in TIBs.)
5. On [REDACTED], Respondent paid \$ [REDACTED] in interest, which exceeded the amount of interest owed.

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;
 - 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 pattern of late payments, the lateness of two of the payments and Respondent's failure to pay interest on the late TIBs;
 - b. the penalty necessary to deter future violations;
 - c. the significant negative impact on the delivery of benefits to an injured employee; and
 - d. the economic benefit Respondent received as a result of the conduct.
4. DWC considered as mitigating Respondent's lack of recent disciplinary history on this violation category 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 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 or its representative commits an administrative violation each time it violates a DWC rule.
6. 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.

Failure to Timely Pay Accrued TIBs

7. Pursuant to Tex. Lab. Code § 408.101, an employee is entitled to temporary income benefits if the employee has a disability and has not attained maximum medical improvement.
8. 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.
9. 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.
10. 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 timely pay accrued TIBs.

Order

It is ordered that Church Mutual Insurance Company, S.I. must pay an administrative penalty of \$6,000 within 30 days from the Commissioner signs the order.

After receiving an invoice, that 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:



Mason Berk
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:

PO Box 342, Merrill, Lincoln, WI, 54452.
(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 March 4, 2025.