

No. 2025-9223

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

**Date: 3/25/2025**

**Subject Considered:**

Utica Lloyd's of Texas  
180 Genesee Street  
New Hartford, New York 13413

Consent Order  
DWC Enforcement File No. 36138

**General remarks and official action taken:**

This is a consent order with Utica Lloyd's of Texas, (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 not selected to be tiered in the 2024, 2022, or 2020 Performance Based Oversight (PBO) assessments.

### Failure to Comply with a DWC Order

3. On [REDACTED], Respondent received Medical Fee Dispute Resolution (MFDR) Findings and Decision Order No. M4-24-0714-01 requiring Respondent to pay \$ [REDACTED] plus accrued interest by [REDACTED].
4. On [REDACTED], Respondent paid the principal amount 207 days late but failed to fully comply with the MFDR order by paying accrued interest at the same time.
5. On [REDACTED], Respondent paid the accrued interest of \$ [REDACTED] days late.

### **Assessment of Sanction**

1. Failure to timely comply with DWC orders for payment of medical bills is not cost-effective, increases the likelihood of disputes, and causes economic harm. Further, non-compliance with a DWC order interferes with DWC's ability to regulate and diminishes faith in 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 fact that Respondent was more than 200 days late complying with a DWC order, which is a priority investigation under Tex. Lab. Code § 402.0235. Further, Respondent's conduct involved actual economic harm;
  - b. the \$1,556 economic benefit to Respondent as a result of the violation; and
  - c. the penalty necessary to deter future violations.
- 4. DWC found Respondent's lack of prior disciplinary action on this violation to be mitigating under Tex. Lab. Code § 415.021(c) and 28 Tex. Admin. Code § 180.26(e). Respondent only has one prior administrative action and it was for an unrelated violation.
- 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 § 413.055, the commissioner may enter an interlocutory order for the payment of all or part of medical benefits. The order may address accrued benefits, future benefits, or both accrued benefits and future benefits.
5. Pursuant to Tex. Lab. Code § 415.021, the commissioner may assess an administrative penalty against a person who commits an administrative violation.
6. Pursuant to Tex. Lab. Code §§ 415.0035(e) and 415.021(a), an insurance carrier commits an administrative violation if it violates, fails to comply with, or refuses to comply with a DWC order.
7. Pursuant to Tex. Lab. Code § 415.002(a)(17), an insurance carrier or its representative commits an administrative violation if it fails to pay an order awarding benefits.
8. 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.
9. Respondent violated Tex. Lab. Code §§ 415.002(a)(17) and (22); 415.021(a); and 415.0035(e) by failing to comply with a MFDR order.

**Order**

It is ordered that Utica Lloyd's of Texas must pay an administrative penalty of \$1,500 within 30 days from the date the Commissioner signs the order.

After receiving an invoice, Utica Lloyd's of Texas 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:

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

**Unsworn Declaration**

**STATE OF** Texas §  
§  
**COUNTY OF** Dallas §

Pursuant to the Tex. Civ. Prac. and Rem. Code § 132.001(a), (b), and (d), my name is Michele Hyre. I hold the position of claims adjuster and am the authorized representative of Utica Lloyd's of Texas. My business address is:  
PO Box 6610, Utica Insurance, NY, 13540.  
(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.

*Michele Hyre*  
Declarant

Executed on 2-26-25, 2025.