

No. **2025-9332**

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

**Date: 6/4/2025**

**Subject Considered:**

Technology Insurance Company, Inc.  
PO Box 89404  
Cleveland, Ohio 44101-6404

Consent Order  
DWC Enforcement File Nos. 36499, 36532, 36533, & 36534

**General remarks and official action taken:**

This is a consent order with Technology Insurance Company, Inc. (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 2024 Performance Based Oversight (PBO) assessments. Respondent was classified as "poor" tier in the 2022 PBO assessment.

Failure to Pay Subsequent Quarters of Supplemental Income Benefits, Timely Pay Attorney Fees Ordered by DWC, and Timely Comply with a DWC Order to Produce Documents

*File Nos. 36532, 36533, & 36534*

3. Between [REDACTED], and [REDACTED], DWC ordered Respondent to pay \$ [REDACTED] in attorney fees for representing an injured employee at a rate of 25% of each income benefit paid to the injured employee.
4. On [REDACTED], Respondent received a DWC Form-052, *Application for Supplemental Income Benefits* (SIBs), for the 13th quarter, which began on [REDACTED].
5. Respondent's payment for the first month of the 13th quarter was due by the 10th day after Respondent received the application for SIBs or the seventh day of the 13th quarter, whichever is later. In this case, the latest date was [REDACTED].
6. On [REDACTED], Respondent paid \$ [REDACTED] in SIBs for the first month of the 13th quarter 20 days late. Respondent's payment to the injured employee's attorney was due on the same day.
7. On [REDACTED], Respondent paid \$ [REDACTED] to the injured employee's attorney one day late.
8. Respondent's payment for the second month of the 13th quarter by 37th day of the quarter, which was [REDACTED].
9. On [REDACTED], Respondent paid \$ [REDACTED] in SIBs for the second month of the 13th quarter four days late.
10. Respondent did not pay interest with the late payment.
11. Respondent's payment for the third month of the 13th quarter was due by the 67th day of the quarter, which was [REDACTED].
12. On [REDACTED], Respondent paid \$ [REDACTED] in SIBs for the third month of the 13th quarter one day late.

13. Respondent did not pay interest with the late payment.
14. On [REDACTED], Respondent paid interest 144 and 118 days late respectively.
15. On [REDACTED], while investigating Respondent's compliance regarding the payment of attorney fees and SIBs, DWC ordered Respondent to produce:
  - a. A full and complete benefit payment summary that includes all indemnity benefits paid, the date paid, the pay period for which the payment was made, attorney fees paid, and any interest paid from the beginning of the claim to the present date;
  - b. All Plain Language Notices regarding Termination/Reduction/Dispute of Income Benefits (PLNs #1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11);
  - c. All adjusters' file notes associated with the attorney fee orders, the 13th quarter of SIBs, and the 14th quarter of SIBs (as required by 28 TAC, Section 102.4(i));
  - d. All orders to pay the injured employee's attorney for Sequence #31 through Sequence # 47; and
  - e. The insurance carrier's statement of position regarding the timely payment of attorney fees related to the payments to the injured employee for the 13th and 14th quarters of SIBs.
16. The documents were ordered to be produced by [REDACTED].
17. On [REDACTED], and [REDACTED], Respondent produced partial responses to DWC's order to produce three and seven days late respectively.
18. On [REDACTED], Respondent fully complied with DWC's order to produce 80 days late.

#### Failure to Timely Act on a Medical Bill

##### *File No. 36499*

19. On [REDACTED], a health care provider (HCP) rendered medical services to the injured employee.

20. On [REDACTED], Respondent received a properly completed medical bill from the HCP in the amount of \$ [REDACTED]. Respondent was required to act on the bill not later than the 45th day after receipt of the request, or by [REDACTED].
21. On [REDACTED], Respondent reduced and paid \$ [REDACTED] of the HCP's bill 18 days late.
22. On [REDACTED], Respondent paid \$ [REDACTED] in interest 66 days late.

### **Assessment of Sanction**

1. Prompt payment of medical bills is imperative to DWC's goal of ensuring that injured employees have access to prompt, high-quality medical care. Failure to promptly pay medical bills harms medical providers economically, increases disputes and exhausts administrative resources in the workers' compensation system.
2. Failure to provide income benefits in a timely and cost-effective manner is harmful to injured employees and the Texas workers' compensation system.
3. 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.
4. Timely submitting information to DWC and complying with DWC orders is imperative to DWC's ability to implement and enforce the Texas Workers' Compensation Act.
5. 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.
6. 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 violations were serious because Respondent untimely paid \$ [REDACTED] in income and medical benefits and failed to comply with DWC orders to pay attorney fees and produce documents, which hinders DWC's ability to implement and enforce the Texas Workers' Compensation Act;
  - b. Respondent's history of similar administrative violations, including 15 violations involving late benefits, attorney fees, and late medical bill payments;
  - c. the penalty necessary to deter future violations given Respondent's ongoing non-compliance with a DWC Order; and
  - d. the negative impact on the delivery of \$ [REDACTED] in benefits to injured employees.
7. DWC is aware of no mitigating factors pursuant to Tex. Lab. Code § 415.021(c) and 28 Tex. Admin. Code § 180.26(e).
8. 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).
9. 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 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 Act on a Medical Bill

##### *File No. 36499*

7. Pursuant to Tex. Lab. Code § 408.027(b) and 28 Tex. Admin. Code § 133.240, an insurance carrier must pay, reduce, deny, or determine to audit an HCP's claim not later than the 45th day after the date of receipt by the carrier of the provider's claim.
8. Respondent violated Tex. Lab. Code §§ 408.027; 415.002(a)(20) and (22); and 28 Tex. Admin. Code § 133.240 by failing to pay, reduce, deny, or determine to audit a completed medical bill within 45 days of receiving the bill.

Failure to Timely Pay Interest on a Late Medical Bill Payment

*File No. 36499*

9. Pursuant to Tex. Lab. Code § 413.019(a) and 28 Tex. Admin. Code §§ 133.240(l) and 134.130(a), an insurance carrier must pay interest on medical bills paid on or after the 60th day after the insurance carrier originally received the complete bill. The interest payment shall be paid at the same time as the medical bill payment.
10. Respondent violated Tex. Lab. Code §§ 413.019(a), 415.002(a)(20) and (22); and 28 Tex. Admin. Code §§ 133.240(l) and 134.130(a) by failing to timely pay interest on medical bills paid on or after the 60th day after the insurance carrier originally received the complete medical bill.

Failure to Pay Subsequent Quarters of Supplemental Income Benefits

*File No. 36532*

11. Pursuant to Tex. Lab. Code § 408.144, SIBs are calculated quarterly and paid monthly.
12. 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.
13. 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.
14. Pursuant to 28 Tex. Admin. Code § 130.107, an insurance carrier must make the first payment of SIBs for the [Number] quarter by the 10th day after receiving the Application for Supplemental Income Benefits 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.
15. Respondent violated Tex. Lab. Code §§ 408.145; 409.023; 415.002(a)(20) and (22); and 28 Tex. Admin. Code § 130.107 each time Respondent failed to timely pay SIBs.

Failure to Timely Pay Interest with Indemnity Benefits

*File No. 36532*

16. Pursuant to Tex. Lab. Code § 408.064 and 28 Tex. Admin. Code § 126.12(b), accrued but unpaid income benefits and interest shall be paid in a lump sum.
17. Respondent violated Tex. Lab. Code §§ 408.064 and 415.002(a)(20) and (22) and 28 Tex. Admin. Code § 126.12(b) each time Respondent failed to timely pay interest with accrued but unpaid income benefits.

Failure to Timely Pay Attorney Fees Ordered by DWC

*File No. 36533*

18. 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.
19. 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.
20. Respondent violated Tex. Lab. Code §§ 415.002(a)(20) and (22); 415.021(a); 415.0035(e); and 28 Tex. Admin. Code § 152.1(c) by failing to timely comply with a DWC order to pay attorney fees.

Failure to Timely Comply with a DWC Order to Produce Documents

*File No. 36534*

21. Pursuant to Tex. Lab. Code §§ 415.0035(e) and 415.021(a), a person regulated by DWC under this title commits an administrative violation if they violate the Texas Workers' Compensation Act, a DWC rule, or a commissioner's order or decision.

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22. Pursuant to 28 Tex. Admin. Code § 102.9, DWC requires those subject to the Texas Workers' Compensation Act to provide information as necessary. DWC may follow up on a request for information by issuing an order to produce information.
  
23. Respondent violated Tex. Lab. Code §§ 415.002(a)(20) and (22); 415.0035(e); 415.021(a); and 28 Tex. Admin. Code § 102.9 by failing to comply with a DWC order to produce documents.

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**Order**

It is ordered that Technology Insurance Company, Inc. must pay an administrative penalty of \$6,200 within 30 days from the date the Commissioner signs the order.

After receiving an invoice, Technology Insurance Company, Inc. 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.

  
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Jeff Nelson  
Commissioner  
TDI, Division of Workers' Compensation

Approved Form and Content:

  
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Tyrus Housh  
Staff Attorney, Enforcement  
Compliance and Investigations  
TDI, Division of Workers' Compensation

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**Unsworn Declaration**

**STATE OF OHIO** §  
§  
**COUNTY OF CUYAHOGA** §

Pursuant to the Tex. Civ. Prac. and Rem. Code § 132.001(a), (b), and (d), my name is Barry W. Moses. I hold the position of Vice President, Senior Counsel, Regulatory and am the authorized representative of Technology Insurance Company, Inc. My business address is:

800 Superior Ave., E. Cleveland Cuyahoga OH 44122  
Street) (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.

*Barry W. Moses*

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Declarant

Executed on\_May 19, 2025.