

No. **2025-9396**

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

Date: 7/8/2025

Subject Considered:

AIU Insurance Company
PO Box 201329
Austin, Texas 78720-1329

Consent Order
DWC Enforcement File Nos. 35855 & 35925

General remarks and official action taken:

This is a consent order with AIU Insurance Company (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 classified as "average" tier in the 2022 and 2024 Performance Based Oversight (PBO) assessments. Respondent was not selected to be tiered in the 2020 PBO assessments.

Failure to Timely Initiate and Pay Accrued Temporary Income Benefits (TIBs)/Failure to Timely Pay Benefits Based on an Adjusted Average Weekly Wage (AWW)

File No. 35855

3. On [REDACTED], Respondent received notice of an employee's workplace injury.
4. The injured employee's first day of disability was [REDACTED]. The eighth day of disability accrued on [REDACTED].
5. Respondent was required to initiate or dispute TIBs either 15 days after it received written notice of the injury or seven days after the accrual date, whichever is later. In this case, the latest date was [REDACTED].
6. The injured employee's AWW was \$ [REDACTED], which resulted in a weekly TIBs rate of \$ [REDACTED]. Also, the injured employee's employer continued to provide non-pecuniary wages.
7. On [REDACTED], Respondent paid \$ [REDACTED] in initial TIBs for the benefit week of [REDACTED], one day late.
8. On [REDACTED], after accounting for post-injury earnings, Respondent paid \$ [REDACTED] in partial initial TIBs for the first benefit week of [REDACTED], two days late.
9. Respondent was also required to pay accrued TIBs to the 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 \$ [REDACTED] in accrued TIBs, as follows:

	Payment Period		Date Due	Date Paid	Days Late
a.	[REDACTED]	to [REDACTED]	[REDACTED]	[REDACTED]	8
b.	[REDACTED]	to [REDACTED]	[REDACTED]	[REDACTED]	1

10. Between [REDACTED], and [REDACTED], Respondent correctly paid the injured employee \$ [REDACTED] in weekly TIBs.

11. On [REDACTED], the employer ceased providing non-pecuniary wages. As a result, the injured employee's AWW increased from \$ [REDACTED] to \$ [REDACTED]. The increase in AWW resulted in the TIBs rate increasing from \$ [REDACTED] to \$ [REDACTED].
12. Respondent continued incorrectly paying \$ [REDACTED] in weekly TIBs, resulting in a weekly underpayment of \$ [REDACTED].
13. On [REDACTED], Respondent learned that the employer ceased providing non-pecuniary wages.
14. Respondent was required to begin paying TIBs based on the adjusted AWW with the first TIBs payment made seven days after Respondent learned that the employer ceased providing non-pecuniary wages. In this case, the deadline to begin paying TIBs based on the adjusted AWW was [REDACTED].
15. On [REDACTED], Respondent paid \$ [REDACTED] for the weekly shortfall from [REDACTED], to [REDACTED], and began paying TIBs based on the adjusted AWW eight days late.

Failure to Timely Act on a Medical Bill

File No. 35925

16. On [REDACTED], a health care provider provided medical services to an injured employee.
17. On [REDACTED], Respondent received a completed medical bill for \$ [REDACTED] from the health care provider.
18. Respondent was required to act on the bill within 45 days of receiving it. The deadline to act was [REDACTED].
19. On [REDACTED], Respondent partially paid \$ [REDACTED], which was 77 days late.

Assessment of Sanction

1. Failure to provide accurate income benefits in a timely and cost-effective manner is harmful to injured employees and the Texas workers' compensation system.

2. 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.
3. 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;
 - 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.
4. DWC found the following factors in Tex. Lab. Code § 415.021(c) and 28 Tex. Admin. Code § 180.26(e) to be aggravating:
 - a. Respondent's violations are serious because the conduct in file 35855 involved multiple violations over several weeks that negatively impacted the delivery of \$ [REDACTED] in benefits to an injured employee and file 35925 involved an amount over \$ [REDACTED] and medical benefits paid 77 days late;
 - b. Respondent has a significant history of similar violations, including 20 consent orders involving TIBs and 21 consent orders involving late action on a medical bill, including File No. 35702 involving a 37-days-late payment of a large hospital bill;
 - c. a penalty is necessary to deter future violations since Respondent presents a high risk of future violations;

- d. Respondent received an economic benefit from the violations; and
 - e. Respondent's size and heightened awareness of the legal duty to comply with the Texas Workers' Compensation Act and DWC rules.
5. DWC is aware of no mitigating factors pursuant to Tex. Lab. Code § 415.021(c) and 28 Tex. Admin. Code § 180.26(e).
 6. 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).
 7. 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) and (22), an insurance carrier or its representative commits an administrative violation each time it fails to comply with a DWC rule or a provision of the Texas Workers' Compensation Act.

Failure to Timely Initiate and Pay Accrued TIBs

File No. 35855

6. Pursuant to Tex. Lab. Code § 408.101, an employee is entitled to TIBs if the employee has a disability and has not attained maximum medical improvement.
7. 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.
8. 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.
9. Pursuant to Tex. Lab. Code § 408.103 and 28 Tex. Admin. Code § 129.3, the amount of a temporary income benefit is equal to 70 percent of the injured employee's AWW.
10. Respondent violated Tex. Lab. Code §§ 408.081; 408.103; 409.023; 415.002(a)(16), (20), and (22); and 28 Tex. Admin. Code §§ 124.7 and 129.3 by failing to timely initiate and accurately pay accrued TIBs.

Failure to Timely Pay Benefits Based on an Adjusted AWW

File No. 35855

11. Pursuant to Tex. Lab. Code § 408.081, an injured employee is entitled to timely and accurate income benefits.
12. Pursuant to 28 Tex. Admin. Code § 128.1(e), if an insurance carrier determines or is notified that the employee's AWW is different than what the insurance carrier had previously determined, the insurance carrier shall adjust the AWW and begin payment of benefits based upon the adjusted AWW no later than the first payment due at least seven days following the date the carrier receives the new information regarding the AWW.

13. Respondent violated Respondent violated Tex. Lab. Code §§ 408.081; 415.002(a)(20) and (22); and 28 Tex. Admin. Code § 128.1(e) by failing to timely adjust the AWW and begin payment of benefits based upon the adjusted AWW.

Failure to Timely Act on a Medical Bill

File No. 35925

14. Pursuant to Tex. Lab. Code § 408.027 and 28 Tex. Admin. Code § 133.240, an insurance carrier is required to timely process and take final action on a completed medical bill within 45 days of receiving the bill.
15. Respondent violated Tex. Lab. Code §§ 408.027; 415.002(a)(20) & (22); and 28 Tex. Admin. Code § 133.240 by failing to take final action on a completed medical bill within 45 days of receiving the bill.

Commissioner's Order
AIU Insurance Company
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Order

It is ordered that AIU Insurance Company must pay an administrative penalty of \$9,800 within 30 days from the date the Commissioner signs the order.

After receiving an invoice, AIU Insurance Company 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:



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

Unsworn Declaration

STATE OF NEW YORK §
§
COUNTY OF NEW YORK §

Pursuant to the Tex. Civ. Prac. and Rem. Code § 132.001(a), (b), and (d), my name is Conor Murray. I hold the position of Senior Vice President and am the authorized representative of AIU Insurance Company. My business address is:

1271 Avenue of the Americas, New York, New York, NY, 10020-1304
(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.

Signed by:
Conor Murray
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Declarant

Executed on June 9, 2025 | 12:10 PM EDT, 2025.