

No. **2025-9504**

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

Date: 8/28/2025

Subject Considered:

Williamsburg National Insurance Company
26255 American Drive
Southfield, Michigan 48038-6112

Consent Order
DWC Enforcement File No. 36695

General remarks and official action taken:

This is a consent order with Williamsburg National 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 workers' compensation/employers' liability insurance in Texas.
2. Respondent was not selected to be tiered in the 2024, 2022, or 2020 Performance Based Oversight (PBO) assessments.

Failure to Accurately Pay Impairment Income Benefits (IIBs)

3. On [REDACTED], DWC ordered Respondent to deduct and pay \$ [REDACTED] in attorney fees from an injured employees IIBs. Respondent received the DWC order on [REDACTED]
4. On [REDACTED], Respondent deducted and paid \$ [REDACTED] in attorney's fees from the injured employee's IIBs, resulting in an \$ [REDACTED] underpayment of IIBs to the injured employee.
5. Between [REDACTED], and [REDACTED], Respondent continued to deduct and pay attorney's fees from the injured employees IIBs when no attorney's fees were due. As of [REDACTED], the total underpayment was \$ [REDACTED] in IIBs.
6. On [REDACTED], Respondent paid \$ [REDACTED] in underpaid IIBs up to 33 days late, leaving an underpayment of \$ [REDACTED].
7. On [REDACTED], Respondent paid \$ [REDACTED] in IIBs to the injured employee, which was up to 151 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. 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 that Respondent was up to 151 days late accurately paying benefits;
 - b. Respondent's pattern of similar violations, including a previous consent order evidencing similar conduct issued in 2024;
 - c. the penalty necessary to deter future violations, considering Respondent's delay in compliance and previous similar violative conduct;
 - d. the negative impact on the delivery of \$ [REDACTED] in benefits to an injured employee up to 151 days late; and
 - e. evidence of Respondent's heightened awareness of the legal duty to comply with the Texas Workers' Compensation Act and DWC rules.
 4. DWC is aware of no mitigating factors 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) 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.
6. 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.
7. Respondent violated Tex. Lab. Code §§ 408.081, 408.126, 409.023, 415.002(a)(16) and (22) each time Respondent failed to accurately pay IIBs.

Order

It is ordered that Williamsburg National Insurance Company must pay an administrative penalty of \$1,000 within 30 days from the date the Commissioner signs the order.

This consent order shall constitute a public reprimand of Williamsburg National Insurance Company, for repeated violations of a division rule. Williamsburg National Insurance Company is expected to comply with the law and division rules, as described above.

After receiving an invoice, Williamsburg National 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:



Austin Southerland
Staff Attorney, Enforcement
Compliance and Investigations
TDI, Division of Workers' Compensation

