

No. **2025-9617**

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

**Date: 11/21/2025**

**Subject Considered:**

AIU Insurance Company  
1271 Avenue of the Americas, Floor 37  
New York, New York 10020-1304

Consent Order  
DWC Enforcement File Nos. 37013 & 37014

**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 workers' compensation/employers' liability insurance in Texas.
2. Respondent was selected as "average" tier in the 2024 and 2022 Performance Based Oversight (PBO) assessments. Respondent was not selected to be tiered in the 2020 PBO assessment.

Failure to Accurately Pay Temporary Income Benefits (TIBs)

File No. 37013

3. On [REDACTED] an injured employee suffered a workplace injury.
4. Based on the date of injury, the correct maximum TIBs rate was [REDACTED] per week. However, Respondent incorrectly determined the maximum weekly TIBs rate as [REDACTED].
5. Between [REDACTED], and [REDACTED], Respondent paid TIBs at the incorrect rate, resulting in a [REDACTED] underpayment to the injured employee.

Failure to Accurately Pay Impairment Income Benefits (IIBs), Timely Pay Accrued IIBs, and Pay IIBs Weekly

File No. 37014

6. This is the same claim from File No. 37013.
7. On [REDACTED], Respondent received a DWC-69, *Report of Medical Evaluation*, from a designated doctor (DD). The DD determined that the injured employee reached maximum medical improvement (MMI) on [REDACTED], with a [REDACTED] impairment rating.
8. Because Respondent paid [REDACTED] in TIBs after the date of MMI, Respondent could redesignate the [REDACTED] as IIBs. Also, because the injured employee reached MMI, the TIBs underpayment changed to [REDACTED] because the TIBs benefit period changed to [REDACTED], through [REDACTED].
9. Based on the date of injury, the correct maximum IIBs rate was [REDACTED] per week. However, Respondent incorrectly determined the maximum weekly IIBs rate as [REDACTED].
10. On [REDACTED], Respondent paid [REDACTED] in IIBs according to the DD report. After redesignating TIBs paid after the MMI date as IIBs, Respondent underpaid IIBs by [REDACTED].
11. On [REDACTED], and [REDACTED], Respondent paid IIBs at the incorrect rate of [REDACTED], resulting in a [REDACTED] underpayment of IIBs to the injured employee.

12. After the [REDACTED], IIBs payment, Respondent owed [REDACTED] in TIBS and [REDACTED] in IIBs—a total underpayment of [REDACTED].
13. On [REDACTED], [REDACTED], and [REDACTED], Respondent deviated from a weekly payment schedule, paying IIBs once every four weeks. Respondent did not have an agreement with the injured employee to change the IIBs payment schedule from a weekly payment schedule. The IIBs payments were due seven days after the first day of the pay period. Respondent's payment schedule resulted in [REDACTED] in IIBs paid late, as follows:

	Payment Period	Date Due	Date Paid	Days Late
a.	[REDACTED]	[REDACTED]	[REDACTED]	13
b.	[REDACTED]	[REDACTED]	[REDACTED]	6
c.	[REDACTED]	[REDACTED]	[REDACTED]	7
d.	[REDACTED]	[REDACTED]	[REDACTED]	3
e.	[REDACTED]	[REDACTED]	[REDACTED]	13
f.	[REDACTED]	[REDACTED]	[REDACTED]	6
g.	[REDACTED]	[REDACTED]	[REDACTED]	3

14. On [REDACTED], Respondent paid [REDACTED] in IIBs to the injured employee but failed to pay interest on the late IIBs.
15. After the IIBs payment on [REDACTED], Respondent owed [REDACTED] in TIBS and [REDACTED] in IIBs—a total underpayment of [REDACTED].
16. On [REDACTED], Respondent paid [REDACTED] in TIBs and [REDACTED] in IIBs to the injured employee, but failed to pay interest.
17. On [REDACTED], Respondent paid interest to the injured employee 36 and 26 days late respectively.

**Assessment of Sanction**

1. Failure to provide correct 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 violations are serious, involving at least \$10,000 in income benefits paid between three and 459 days late;
  - b. Respondent has a history of similar administrative violations, including 22 consent orders and five warning letters involving TIBs and IIBs violations since 2021;
  - c. a penalty is necessary to deter future violations;
  - d. the conduct resulted in a negative impact on the delivery of at least \$10,000 in benefits to an injured employee;
  - e. the conduct resulted in an economic benefit to Respondent; and
  - f. Respondent is the 20th largest workers' compensation insurance carrier in Texas and has a 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.

Failure to Accurately Pay TIBs

*File No. 37013*

6. Pursuant to Tex. Lab. Code § 408.103 and Tex. Admin. Code § 129.3, the insurance carrier is required to pay the correct amount of TIBs.
7. Respondent violated Tex. Lab. Code §§ 408.103; 415.002(a)(20) and (22); and 28 Tex. Admin. Code § 129.3 each time Respondent failed to accurately pay TIBs.

Failure to Accurately Pay IIBs

*File No. 37014*

8. Pursuant to Tex. Lab. Code § 408.061(b), an injured employee's maximum weekly impairment income benefit may not exceed 70 percent of the state average weekly wage.
9. 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.
10. 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.

Failure to Timely Pay Accrued IIBs

*File No. 37014*

11. 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.
12. Pursuant to Tex. Lab. Code § 408.121(b) and 28 Tex. Admin. Code § 130.8, an employee's entitlement to IIBs begins the day after the employee reaches MMI and, when the date of MMI is not disputed, the carrier shall initiate payment of IIBs on or before the fifth day after the date of receipt of the employee's treating doctor's medical evaluation report.

13. Respondent violated Tex. Lab. Code §§ 408.121; 415.002(a)(16), (20) and (22); and 28 Tex. Admin. Code § 130.8 each time Respondent failed to timely pay IIBs.

Failure to Pay IIBs Weekly

*File No. 37014*

14. Pursuant to Tex. Lab. Code § 408.081(c), DWC, by rule, shall establish requirements for agreements under which income benefits may be paid monthly. Income benefits may be paid monthly only: (1) on the request of the employee and the agreement of the employee and the insurance carrier; and (2) in compliance with the requirements adopted by the DWC.
15. Pursuant to 28 Tex. Admin. Code § 130.11(a), upon the request of the injured employee, the insurance carrier and an employee entitled to IIBs may agree to change the frequency of IIBs payments from the standard weekly period to a monthly period. The agreement to change the payment frequency must be in writing.
16. Respondent violated Tex. Lab. Code §§ 408.081(c); 415.002(a)(20) and (22); and 28 Tex. Admin. Code § 130.11(a) when Respondent paid IIBs monthly without a prior written request from the injured employee.

Failure to Timely Pay Interest with Indemnity Benefits

*File Nos. 37013 & 37014*

17. 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.
18. 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.

**Order**

It is ordered that AIU Insurance Company must pay an administrative penalty of \$7,750 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.



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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

Commissioner's Order  
AIU Insurance Company  
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**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.  
(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  
EE7D677E82F8437...  
Declarant

Executed on October <sup>21</sup>, 2025.

Confidential Information Redacted  
Texas Labor Code §§402.083 and 402.092