

No. **2025-9644**

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

**Date: 12/3/2025**

**Subject Considered:**

The Hanover Casualty Company  
440 Lincoln Street  
Mail Stop N255  
Worcester, Massachusetts 01653-0002

Consent Order  
DWC Enforcement File No. 37372

**General remarks and official action taken:**

This is a consent order with The Hanover Casualty 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 tier in the 2020, 2022, or 2024 Performance Based Oversight (PBO) assessments.

Failure to Timely Pay Accrued Impairment Income Benefits (IIBs)

3. Respondent was required to pay IIBs to an injured employee from [REDACTED], through [REDACTED]. The IIBs payments were due seven days after the first day of the pay period. Respondent failed to timely pay [REDACTED] in IIBs, as follows:

	Payment Period	Date Due	Date Paid	Days Late
a.	[REDACTED]	[REDACTED]	[REDACTED]	14
b.	[REDACTED]	[REDACTED]	[REDACTED]	7
c.	[REDACTED]	[REDACTED]	[REDACTED]	10
d.	[REDACTED]	[REDACTED]	[REDACTED]	3
e.	[REDACTED]	[REDACTED]	[REDACTED]	13
f.	[REDACTED]	[REDACTED]	[REDACTED]	6
g.	[REDACTED]	[REDACTED]	[REDACTED]	5
h.	[REDACTED]	[REDACTED]	[REDACTED]	14
i.	[REDACTED]	[REDACTED]	[REDACTED]	7
j.	[REDACTED]	[REDACTED]	[REDACTED]	4

4. On [REDACTED], Respondent paid interest 311, 224, 200, 187, 157, and 146 days late, respectively.

**Assessment of Sanction**

1. Failure to provide 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;
  - the economic benefit resulting from the prohibited act; and

Confidential Information Redacted  
 Texas Labor Code §§402.083 and 402.092

- 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, delaying 13% of accrued IIBs, and paid interest between 146 and 311 days late;
    - b. a penalty is necessary to deter future violations; and
    - c. the violations negatively impacted the delivery of ██████ in benefits to an injured employee.
  4. DWC found as mitigating under Tex. Lab. Code § 415.021(c) and 28 Tex. Admin. Code § 180.26(e) that this is Respondent's first violation for late payment of IIBs.
  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 violates a DWC rule or a provision of the Texas Workers' Compensation Act.

Failure to Timely Pay Accrued IIBs

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. Pursuant to Tex. Lab. Code § 408.121(a), an employee's entitlement to IIBs begins the day after the employee reaches maximum medical improvement and ends on the earlier of the date of expiration of a period computed at the rate of three weeks for each percentage point of impairment or the date of the employee's death.
8. Respondent violated Tex. Lab. Code §§ 408.121; 409.023; and 415.002(a)(16) and (22) each time it failed to timely pay IIBs.

Failure to Timely Pay Interest with Indemnity Benefits

9. 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.
10. Respondent violated Tex. Lab. Code §§ 408.064; 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 The Hanover Casualty Company must pay an administrative penalty of \$5,250 within 30 days from the date the Commissioner signs the order.

After receiving an invoice, The Hanover Casualty 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

**Unsworn Declaration**

**STATE OF** Missouri §  
§  
**COUNTY OF** Jasper §

Pursuant to the Tex. Civ. Prac. and Rem. Code § 132.001(a), (b), and (d), my name is Kasey Weber. I hold the position of General Adjuster and am the authorized representative of The Hanover Casualty Company. My business address is:  
PO Box 15144 Worcester MA 06155  
(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.

Kasey Weber  
Declarant

Executed on October 22, 2025.