

No. **2025-9666**

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

Date: 12/10/2025

Subject Considered:

Safety National Casualty Corporation
1832 Schuetz Road
Saint Louis, Missouri 63146-3540

Consent Order
DWC Enforcement File Nos. 37723 & 37724

General remarks and official action taken:

This is a consent order with Safety National Casualty Corporation (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, 2022, and 2024 Performance Based Oversight (PBO) assessments.

Failure to Timely Act on a Medical Bill

File No. 37724

3. On [REDACTED], a Designated Doctor (DD) attempted to perform a DD examination of an injured employee, but the injured employee did not attend or reschedule the examination.
4. On [REDACTED], Respondent received the DD's completed medical bill for [REDACTED] for the missed examination. Respondent was required to act on the bill within 45 days of receiving it. The deadline to act was [REDACTED].
5. On [REDACTED], Respondent attempted to pay the bill but mailed the check to an incorrect address. On [REDACTED], Respondent received the returned check and voided the payment.
6. On [REDACTED], Respondent paid [REDACTED] plus partial interest to the DD at the correct address, which was 164 days late.

Failure to Timely Pay Interest on a Late Medical Bill Payment

File No. 37723

7. On [REDACTED], Respondent paid only partial interest for the late medical bill payment.
8. On [REDACTED], Respondent paid the remaining interest, 32 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. It is a serious violation to fail to timely act on a medical bill involving DD services, which do not require preauthorization and which serve an essential function in the Texas workers' compensation system. Untimely payment can have a chilling effect on a DD's participation in the 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
 - 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 the DD's medical bill plus owed interest was paid 196 days late even though DD services do not require preauthorization and are essential to the Texas workers' compensation system;
 - b. Respondent's history of similar administrative violations, including 17 consent orders and 8 warning letters involving late medical bill payments in the past five years;
 - c. a penalty necessary to deter future violations; and
 - d. evidence of heightened awareness of the legal duty to comply with the Texas Workers' Compensation Act and DWC rules.

4. DWC considered as mitigation pursuant to Tex. Lab. Code § 415.021(c) and 28 Tex. Admin. Code § 180.26(e) that Respondent attempted to timely process the medical bill.
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, 402.00111, 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.

7. 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.
8. Pursuant to 28 Tex. Admin. Code § 134.240(b), a DD must bill, and the insurance carrier must reimburse, for a missed appointment when an injured employee does not attend a properly scheduled or rescheduled DD examination. Reimbursement for a missed appointment is \$100.
9. Respondent violated Tex. Lab. Code §§ 408.027; 415.002(a)(20) and (22); and 28 Tex. Admin. Code §§ 133.240 & 134.240 by failing to pay, reduce, deny, or determine to audit a completed medical bill for a missed DD examination within 45 days of receiving the bill.

Failure to Timely Pay Interest on a Late Medical Bill Payment

10. Pursuant to 28 Tex. Admin. Code § 133.240(l) all payments of medical bills that an insurance carrier makes on or after the 60th day after the date the insurance carrier originally received the complete medical bill shall include interest calculated in accordance with § 134.130 of this title without any action taken by the division. The interest payment shall be paid at the same time as the medical bill payment.
11. Respondent violated Tex. Lab. Code § 415.002(a)(22), and 28 Tex. Admin. Code § 133.240(l) by failing to timely pay interest on a late medical bill payment.

Order

It is ordered that Safety National Casualty Corporation must pay an administrative penalty of \$1,200 within 30 days from the date the Commissioner signs the order.

After receiving an invoice, Safety National Casualty Corporation 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:



Savanna O'Neal
Staff Attorney, Enforcement
Compliance and Investigations
TDI, Division of Workers' Compensation

Unsworn Declaration

STATE OF Missouri §
§
COUNTY OF St. Louis §

Pursuant to the Tex. Civ. Prac. and Rem. Code § 132.001(a), (b), and (d), my name is Kathryn Walters Scheel. I hold the position of Director- Claims Compliance and am the authorized representative of Safety National Casualty Corporation. My business address is:

1832 Schuetz Road, St. Louis, St. Louis, MO, 63146.
(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.

Kathryn Walters Scheel
Declarant

Executed on November 10, 2025.