

**OFFICIAL ORDER**  
*of the*  
**TEXAS COMMISSIONER OF WORKERS' COMPENSATION**

Date: NOV 20 2019

**Subject Considered:**

**TRUMBULL INSURANCE COMPANY**  
One Hartford Plaza T 17 81  
Hartford, Connecticut 06155

**CONSENT ORDER**  
TDI-DWC ENFORCEMENT FILE NO. 20945

**General remarks and official action taken:**

The commissioner of workers' compensation (commissioner) considers whether disciplinary action should be taken against Trumbull Insurance Company (Trumbull).

**WAIVER**

Trumbull acknowledges that the Texas Labor Code and other applicable laws provide certain rights. Trumbull waives all of these rights and any other applicable procedural rights in consideration of the entry of this consent order.

**FINDINGS OF FACT**

The commissioner makes the following findings of fact:

1. Trumbull 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, including workers' compensation/employers' liability.
2. Trumbull was classified as "average" tier in the 2016 and 2018 Performance Based Oversight (PBO) assessments. Trumbull was not selected to be tiered in the 2007, 2009, 2010, 2012, or 2014 PBO assessments.

**FAILURE TO TIMELY COMPLY WITH A DWC ORDER FOR  
ADVANCE PAYMENT OF INCOME BENEFITS**

3. Trumbull received an Order to initiate advance payment of income benefits on [REDACTED].
4. Trumbull was required to comply with the Order and issue payment of the income benefit advance within seven days of receipt of the Order, which was [REDACTED].

5. Trumbull issued payment of the income benefit advance in the amount of \$ [REDACTED] on [REDACTED], which was 21 days late.

### ASSESSMENT OF SANCTION

6. Failure to provide appropriate income benefits in a manner that is timely and cost effective is harmful to the injured employee and the Texas workers' compensation system.
7. In assessing the sanction for this case, DWC appropriately and fully considered the following factors set forth 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 demonstrated good faith of the violator, including actions taken to rectify the consequences of the prohibited act;
  - the penalty necessary to deter future violations;
  - whether the administrative violation has negative impact on the delivery of benefits to an injured employee;
  - the history of compliance with electronic data interchange requirements;
  - other matters that justice may require, including but not limited to:
    - PBO assessments;
    - the promptness and earnestness of 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; and
  - to the extent reasonable, the economic benefit resulting from the prohibited act.
8. In assessing the sanction for this case, DWC found the following factors set forth in TEX. LAB. CODE § 415.021(c) and 28 TEX. ADMIN. CODE § 180.26(e) to be aggravating: 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 penalty necessary to deter future violations; whether the administrative violation has a negative impact on the delivery of benefits to the injured party; and other matters that justice may require including the size of the company or practice.
9. In assessing the sanction for this case, DWC found the following factors set forth in TEX. LAB. CODE § 415.021(c) and 28 TEX. ADMIN. CODE § 180.26(e) to be mitigating: the demonstrated good faith of the violator, including actions taken to rectify the consequences of the prohibited act, as the insurer has enacted additional training intended to ensure that no additional payments and deadlines are missed.

10. Trumbull acknowledges that it has communicated with DWC regarding the relevant statutes and rules violated; the facts establishing that the administrative violation occurred; and the appropriateness of the proposed sanction, including how DWC considered the factors under TEX. LAB. CODE § 415.021(c) and 28 TEX. ADMIN. CODE § 180.26(e).
11. Trumbull acknowledges that, in assessing the sanction, DWC considered the factors set forth in TEX. LAB. CODE § 415.021(c) and 28 TEX. ADMIN. CODE § 180.26(e).

### CONCLUSIONS OF LAW

The commissioner makes the following conclusions of law:

1. The commissioner has jurisdiction over this matter pursuant to TEX. LAB. CODE §§ 402.001, 402.00111, 402.00114, 402.00116, and 402.00128.
2. The commissioner has authority to informally dispose of this matter as set forth under TEX. GOV'T CODE § 2001.056, TEX. LAB. CODE §§ 401.021 and 402.00128(b)(7), and 28 TEX. ADMIN. CODE § 180.26(h).
3. Pursuant to TEX. LAB. CODE § 415.021, the commissioner may assess an administrative penalty against a person who commits an administrative violation.
4. 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 fails to comply with a provision of the Texas Workers' Compensation Act.
5. Pursuant to TEX. LAB. CODE § 408.085 and 28 TEX. ADMIN. CODE § 126.4(d), an insurance carrier shall pay an advance ordered by DWC within seven days of the date of receipt of the notice from DWC by the insurance carrier's Austin representative.
6. Pursuant to TEX. LAB. CODE § 415.021(a), an insurance carrier commits an administrative violation by failing to comply with a DWC Order.
7. Trumbull violated TEX. LAB. CODE §§ 415.002(a)(20) and (22), and 415.021(a) when it failed to timely comply with a DWC Order to pay an advance of income benefits.

**ORDER**

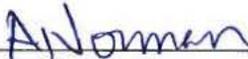
Trumbull Insurance Company is ORDERED to pay an administrative penalty of \$2,000 within 30 days from the date of this consent Order.

The administrative penalty must be paid by company check, cashier's check, or money order made payable to the "State of Texas." Mail the administrative penalty to the Texas Department of Insurance, Attn: DWC Enforcement, MC 9999, P.O. Box 149104, Austin, Texas, 78714-9104.



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Cassie Brown *NCB*  
Commissioner of Workers' Compensation

Approved as to Form and Content:



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Amy Norman  
Staff Attorney, DWC Enforcement  
Texas Department of Insurance

