

No. **2026-10007**

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

Date: 7/1/2026

Subject Considered:

Everest National Insurance Company
100 Everest Way
Warren, New Jersey 07059-5195

Consent Order
DWC Enforcement File No. 38553

General remarks and official action taken:

This is a consent order with Everest 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 multiple lines of insurance in Texas, including workers' compensation/employers' liability insurance.
2. Respondent was classified as "average" tier in the 2022 and 2024 Performance Based Oversight (PBO) assessments, and "poor" tier in the 2020 PBO assessment.

Failure to Timely Pay Attorney Fees Ordered by DWC

3. Between May 8, 2025, and Oct. 6, 2025, DWC ordered Respondent to pay \$6,392.50 in attorney fees for representing an injured employee at a rate of 25% of each income benefit paid to the injured employee.
4. Between May 9, 2025, and Oct. 31, 2025, Respondent paid benefits to the injured employee (IE) on multiple dates. However, Respondent failed to timely pay \$1,859.05 in attorney fees over nine benefit weeks up to 60 days late at the approved rate as follows:

	Benefits Paid to IE	Attorney Fee Owed	Date Due	Date Paid	Days Late
a.	\$756.71	\$252.24	05-09-2025	07-08-2025	60
b.	\$756.71	\$252.24	06-13-2025	07-08-2025	25
c.	\$756.71	\$252.24	06-20-2025	07-08-2025	18
d.	\$756.71	\$252.24	06-27-2025	07-08-2025	11
e.	\$756.71	\$252.24	07-03-2025	07-08-2025	5
f.	\$756.71	\$252.24	09-19-2025	10-29-2025	40
g.	\$756.71	\$252.24	09-26-2025	10-29-2025	33
h.	\$756.71	\$252.24	10-03-2025	10-29-2025	26
i.	\$756.71	\$252.24	10-10-2025	10-31-2025	21

Failure to Accurately Pay Temporary Income Benefits (TIBs)

5. As of May 1, 2025, Respondent had overpaid \$1,008.95 in TIBs to the injured employee because the injured employee temporarily returned to work for multiple days during one week of a benefit period.
6. Between May 16, 2025, and June 6, 2025, Respondent improperly deducted \$252.24 in attorney's fees per week for four weeks. Thus, Respondent inaccurately and underpaid \$1,008.96 of the injured employee's TIBs, as follows:

	Date Paid	TIBs Owed to IE	TIBs Paid to IE	Difference	Total
a.	05-16-2025	\$756.71	\$504.47	\$252.24	\$252.24
b.	05-27-2025	\$756.71	\$504.47	\$252.24	\$504.48
c.	05-30-2025	\$756.71	\$504.47	\$252.24	\$756.72
d.	06-06-2025	\$756.71	\$504.47	\$252.24	\$1,008.96

7. Due to Respondent's previous overpayment, the improper deductions created a \$0.01 underpayment to the injured employee.
8. Over the course of four payments on June 13, 2025, June 20, 2025, June 27, 2025, and July 3, 2025, Respondent overpaid \$1,156.42 in TIBs to the injured employee, curing the prior underpayment and creating a total overpayment of \$1,156.41.
9. On Oct. 31, 2025, Respondent owed the injured employee \$922.45 in TIBs but only paid \$756.71. Despite this \$165.74 underpayment, the injured employee remained overpaid by \$990.67.

Assessment of Sanction

1. Failure to timely pay attorney fees ordered by DWC hinders the division's goal of providing a fair and accessible dispute resolution process and is harmful to the Texas workers' compensation system.
2. Failure to provide income benefits in a timely and cost-effective manner is harmful to injured employees and the Texas workers' compensation system.
3. 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.
- 4. 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 violations, including a priority order violation under Tex. Lab. Code § 402.0235, five weeks of TIBs paid inaccurately, and \$1,859.05
 - b. the penalty necessary to deter future violations;
 - c. the negative impact on the delivery of \$1,174.70 in TIBs to an injured employee; and
 - d. Respondent's size and sophistication, including Respondent's status as the 38th largest workers' compensation carrier in Texas.
- 5. DWC is aware of no mitigating factors pursuant to Tex. Lab. Code § 415.021(c) and 28 Tex. Admin. Code § 180.26(e).
- 6. 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).
- 7. 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) & (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 Pay Attorney Fees Ordered by DWC

6. Pursuant to Tex. Lab. Code §§ 415.021(a) and 415.0035(e), an insurance carrier commits an administrative violation if it violates, fails to comply with, or refuses to comply with a DWC order.
7. Pursuant to 28 Tex. Admin. Code § 152.1(c), insurance carriers are required to pay attorney fees ordered by DWC. The insurance carrier must begin payment out of the approved income benefits by mailing a check to the attorney within seven days after receiving the order. As the insurance carrier pays income benefits, it must pay attorney fees until the fees are completely paid, or income benefits cease.
8. Respondent violated Tex. Lab. Code §§ 415.002(a)(20) & (22); 415.021(a); 415.0035(e); and 28 Tex. Admin. Code § 152.1(c) by failing to timely comply with a DWC order to pay attorney fees.

Failure to Accurately Pay TIBs

9. 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.
10. Respondent violated Tex. Lab. Code §§ 408.103; 415.002(a)(20) & (22); and 28 Tex. Admin. Code § 129.3 each time Respondent failed to accurately pay TIBs.

Order

It is ordered that Everest National Insurance Company must pay an administrative penalty of \$4,000 within 30 days from the date the Commissioner signs the order.

After receiving an invoice from DWC, Everest National Insurance Company must pay the administrative penalty either: (1) by electronic transfer using the State Invoice Payment Service; OR (2) by company check, cashier's check, or money order.

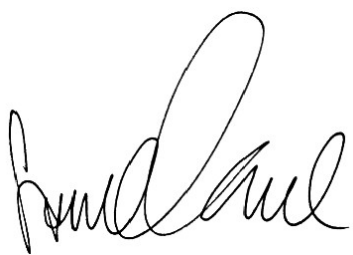
To ensure proper check or money order processing:

- Make the check payable to "Texas Division of Workers' Compensation";
- Enclose a copy of the attached invoice with the check or money order; and
- Mail the check or money order 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 New Jersey

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COUNTY OF Somerset

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Pursuant to the Tex. Civ. Prac. and Rem. Code § 132.001(a), (b), and (d), my name is
Patrick Stetz. I hold the position of Vice President, Claims and am the
authorized representative of Everest National Insurance Company. My business address
is:

100 Everest Way, Warren, Somerset NJ 07059.
(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:

Patrick Stetz

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Declarant

Executed on June 03, 2026.