

No. **2026-9856**

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

Date: 3/26/2026

Subject Considered:

XL Specialty Insurance Company
677 Washington Boulevard, Suite 1000
Stamford, Connecticut 06901-3717

Consent Order
DWC Enforcement File No. 38136 & 38416

General remarks and official action taken:

This is a consent order with XL Specialty 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 2020, 2022, and 2024 Performance Based Oversight (PBO) assessments.

Failure to Comply with a DWC Order

File No. 38416

3. On May 12, 2025, Respondent received Medical Fee Dispute Resolution Findings and Decision Order No. M4-25-1057-1 (MFDR Order).
4. MFDR Order required Respondent to pay \$93.91 plus interest by June 11, 2025.
5. On July 30, 2025, Respondent paid \$93.91 pursuant to the MFDR Order 49 days late.
6. On Nov. 25, 2025, Respondent paid \$8.19 in accrued interest 167 days late.

Failure to Provide Medical Records Prior to a Designated Doctor (DD) exam

File No. 38136

7. On Sept. 29, 2025, DWC ordered an injured employee to attend a designated doctor exam on Oct. 21, 2025.
8. On Sept. 30, 2025, Respondent received notice of the DD exam and a request to provide the injured employee's medical records to the DD.
9. Respondent was required to ensure that the medical records were received by the DD no later than three working days prior to the exam, or by Oct. 16, 2025.
10. On Oct. 22, 2025, Respondent emailed the medical records to the DD six days late.
11. Respondent's failure to timely submit medical records caused the DD exam to be rescheduled on Nov. 13, 2025.

Assessment of Sanction

1. Failure to timely comply with DWC orders for payment of medical bills is not cost-effective, increases the likelihood of disputes, and causes economic harm. Further, non-compliance with a DWC order interferes with DWC's ability to regulate and diminishes faith in the Texas workers' compensation system.

2. Failure to timely provide required documentation to system participants is harmful to the Texas workers' compensation system. Failing to provide medical records, as required, increases the likelihood of disputes.
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 violation, including \$101.50 delivered up to 167 days late, conduct causing a delayed DD exam, and violation of a DWC order, which is a priority violation under Tex. Lab. Code § 402.0235;
 - b. Respondent has a history of similar administrative violations, including two consent orders for order violations and one warning letter involving delayed delivery of medical records to a DD; and
 - c. a penalty is necessary to deter future violations.
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) 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 Comply with a DWC Order

6. Pursuant to Tex. Lab. Code § 415.002(a)(17), an insurance carrier or its representative commits an administrative violation if it fails to pay an order awarding benefits.
7. Pursuant to Tex. Lab. Code § 413.055, the commissioner may enter an interlocutory order for the payment of all or part of medical benefits. The order may address accrued benefits, future benefits, or both accrued benefits and future benefits.
8. Respondent violated Tex. Lab. Code §§ 415.002(a)(17) & (22); and 415.021 by failing to comply with a MFDR order.

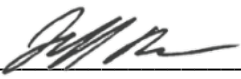
Failure to Provide Medical Records Prior to a Designated Doctor (DD) exam

9. Pursuant to 28 Tex. Admin. Code § 127.10(a)(3), the insurance carrier shall ensure that the required records are received by the DD no later than three working days prior to the date of the DD examination.
10. Pursuant to 28 Tex. Admin. Code § 127.10(a)(3)(C), the DD must reschedule the exam if the DD doesn't receive the required medical records within one working day of the DD examination.
11. Respondent violated Tex. Lab. Code § 415.002(a)(20) and 28 Tex. Admin. Code § 127.10(a)(3) by failing to timely provide an injured employee's medical records to a DD prior to a DD examination.

Order

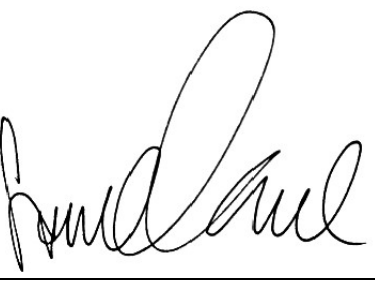
It is ordered that XL Specialty Insurance Company must pay an administrative penalty of \$1,750 within 30 days from the date the Commissioner signs the order.

After receiving an invoice, XL Specialty 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.



Jeff Nelson
Commissioner
TDI, Division of Workers' Compensation

Approved Form and Content:



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

Unsworn Declaration

STATE OF Illinois §
§
COUNTY OF Cook §

Pursuant to the Tex. Civ. Prac. and Rem. Code § 132.001(a), (b), and (d), my name is
Lynn Munson. I hold the position of V.P. Claims Regulatory and am the
authorized representative of XL Specialty Insurance Company. My business address is:
111 S. Wacker Dr., Suite 4000, Chicago, Cook, IL, 60606.
(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.

Lynn Munson
Declarant

Executed on March 6, 2026.