

No. 2026-9907

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

Date: 5/4/2026

Subject Considered:

AIU Insurance Company
PO Box 201329
Austin, Texas 78720-1329

Consent Order
DWC Enforcement File Nos. 38197, 38287, 38288, 38434 & 38435

General remarks and official action taken:

This is a consent order with AIU 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 2024 and 2022 Performance Based Oversight (PBO) assessments. Respondent was not selected to be tiered in the 2020 PBO assessment.

Failure to Pay Accrued Temporary Income Benefits (TIBs) Based on a Designated Doctor Report

File No. 38197

3. On Sept. 18, 2025, Respondent received a designated doctor (DD) report of a DD examination performed on Aug. 22, 2025.
4. The DD determined that the injured employee had not yet reached maximum medical improvement (MMI).
5. Respondent was required to pay accrued TIBs no later than five days after receiving the DD report. The deadline to pay benefits was Sept. 23, 2025.
6. On Oct. 15, 2025, Respondent paid \$18,015 in TIBs 22 days late.
7. On Oct. 20, 2025, Respondent paid \$369.54 in interest five days late.

Failure to Pay Accrued Impairment Income Benefits (IIBs) Based on a DD Report

File No. 38287

8. On Sept. 16, 2025, Respondent received a DD report of a DD examination performed on Sept. 9, 2025.
9. The DD determined that the injured employee reached MMI on [REDACTED], with a [REDACTED] % impairment rating.
10. Respondent was required to pay accrued IIBs no later than five days after receiving the DD report. The deadline to pay benefits was Sept. 22, 2025.
11. On Oct. 30, 2025, Respondent paid \$6,125 in IIBs 38 days late.

Failure to Timely Comply with a Contested Case Hearing Decision and Order (CCH D&O)

File No. 38288

12. On Sept. 11, 2025, DWC issued a CCH D&O requiring Respondent to pay benefits in accordance with the decision, which Respondent received on Sept. 17, 2025.

13. On Oct. 7, 2025, Respondent timely appealed the CCH D&O. Respondent was required to comply with the CCH D&O within five days of filing the written request for appeal. The deadline to comply was Oct. 13, 2025.
14. Respondent failed to pay benefits in accordance with the CCH D&O while the appeal to the appeals panel was pending.
15. On Oct. 31, 2025, Respondent paid \$18,672 after the appeals panel upheld the CCH D&O, which was 18 days late.

Failure to Timely Initiate and Pay Accrued TIBs

File No. 38434

16. On [REDACTED], Respondent received notice of an employee's workplace injury.
17. The injured employee's first day of disability began on Dec. 24, 2024. The eighth day of disability accrued on Dec. 31, 2024.
18. Respondent was required to initiate or dispute TIBs either 15 days after it received written notice of the injury or seven days after the accrual date, whichever was later. In this case, the latest date was Jan. 7, 2025.
19. On March 3, 2025, Respondent made an initial TIBs payment of \$1,143 which was 55 days late.

File No. 38435

20. Additionally, Respondent was required to pay TIBs to the injured employee in File No. 38434 between Jan. 7, 2025, and Aug. 25, 2025. The TIBs payments were due seven days after the first day of the pay period. Respondent failed to timely pay \$11,818.66 in accrued TIBs, as follows:

	Payment Period	Date Due	Date Paid	Days Late
a.	01-07-2025 to 01-13-2025	01-14-2025	04-03-2025	79
b.	01-14-2025 to 01-20-2025	01-21-2025	04-03-2025	72
c.	01-21-2025 to 01-27-2025	01-28-2025	04-03-2025	65

d.	01-28-2025 to 02-03-2025	02-04-2025	04-03-2025	58
e.	02-04-2025 to 02-10-2025	02-11-2025	04-03-2025	51
f.	02-11-2025 to 02-17-2025	02-18-2025	04-03-2025	44
g.	02-18-2025 to 02-24-2025	02-25-2025	05-05-2025	69
h.	07-29-2025 to 08-04-2025	08-05-2025	08-22-2025	17
i.	08-05-2025 to 08-11-2025	08-12-2025	08-22-2025	24
j.	08-12-2025 to 08-18-2025	08-19-2025	09-03-2025	15
k.	08-19-2025 to 08-25-2025	08-26-2025	09-03-2025	8

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. In addition, compliance with DWC orders is imperative to minimize disputes and resolve them promptly and fairly.
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. Respondent's conduct was serious , involving \$56,143.20 in income benefits and interest delivered up to 79 days late to five injured employees;
 - b. Further, Respondent's serious conduct included an order violation, which is a priority violation under Tex. Lab. Code § 402.0235;
 - c. Respondent has a history of similar administrative violations, including eight consent orders involving order violations and 29 consent orders involving late benefits in the last five years;
 - d. Respondent's conduct negatively impacted \$56,143.20 in TIBs and IIBs.
 - e. a penalty is necessary to deter future violations; and
 - f. Respondent's size and sophistication, including Respondent's status as the 12th largest workers compensation carrier in Texas. Further, Respondent had the 2nd highest number of violations (24 violations) in fiscal year 2025, which demonstrates a heightened awareness of the legal duty to comply with the Texas Workers' Compensation Act and DWC rules.
4. DWC is aware of no mitigating factors pursuant to Tex. Lab. Code § 415.021(c) and 28 Tex. Admin. Code § 180.26(e).
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 Pay Benefits in Accordance with a DD

File Nos. 38197 & 38287

6. Pursuant to Tex. Lab. Code § 408.121, an employee's entitlement to IIBs begins on the day after the date the employee reaches MMI and ends on the date of expiration of a period computed at the rate of three weeks for each percentage point of impairment. The insurance carrier shall begin to pay IIBs not later than the fifth day after the date on which the insurance carrier receives the doctor's report certifying MMI.
7. 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.
8. Pursuant to Tex. Lab. Code § 408.0041(f), an insurance carrier must pay benefits based on the opinion of the DD during any pending dispute.
9. Pursuant to 28 Tex. Admin. Code § 127.10(i), an insurance carrier must pay all benefits in accordance with the DD report for the issues in dispute no later than five days after receiving the report.
10. Respondent violated Tex. Lab. Code §§ 408.0041(f); 409.023; and 415.002(a)(16), (20), and (22); and 28 Tex. Admin. Code § 127.10(i) by failing to timely pay accrued income benefits in accordance with the DD report.

Failure to Timely Comply with a CCH D&O

File No. 38288

11. Pursuant to Tex. Lab. Code §§ 415.0035(e) and 415.021(a), an insurance carrier commits an administrative violation if it violates, fails to comply with, or refuses to comply with a DWC order.
12. Pursuant to Tex. Lab. Code § 410.169 and 28 Tex. Admin. Code § 142.16, a party is required to comply with a CCH D&O within 20 days of the order becoming final. However, if the CCH D&O involves benefits, a party must comply no later than the fifth day after filing a written request for appeal.
13. Respondent violated Tex. Lab. Code §§ 410.169; 415.002(a)(20) and (22); 415.0035(e); 415.021(a); and 28 Tex. Admin. Code § 142.16 by failing to timely comply with a DWC order involving benefits within five days of filing a written request for appeal.

Failure to Timely Pay or Dispute Initial TIBs

File No. 38434

14. Pursuant to Tex. Lab. Code §§ 408.081; 408.082; 409.021; and 28 Tex. Admin. Code §§ 124.3 and 124.7, an insurance carrier is required to initiate payment of TIBs no later than the 15th day after it receives written notice of the injury or the seventh day after the accrual date, unless the insurance carrier notifies DWC and the injured employee in writing of its refusal to pay.
15. Respondent violated Tex. Lab. Code §§ 409.021; 415.002(a)(16), (20), and (22); and 28 Tex. Admin. Code §§ 124.3 and 124.7 by failing to timely pay or dispute initial TIBs.

Failure to Timely Pay Accrued TIBs

File No. 38435

16. 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.

17. Pursuant to Tex. Lab. Code §§ 408.081, 408.082, and 28 Tex. Admin. Code § 124.7, an insurance carrier is required to initiate payment of TIBs no later than the seventh day after the accrual date.
18. Respondent violated Tex. Lab. Code §§ 408.081, 409.023, and 415.002(a)(16), (20), and (22); and 28 Tex. Admin. Code § 127.10(i) by failing to pay TIBs as and when they accrued.

Failure to Timely Pay Interest

File No. 38197

19. 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.
20. Respondent violated Tex. Lab. Code § 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 AIU Insurance Company must pay an administrative penalty of \$27,000 within 30 days from the date the Commissioner signs the order.

After receiving an invoice from DWC, AIU 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:



Dan Garcia
Staff Attorney, Enforcement
Compliance and Investigations
TDI, Division of Workers' Compensation

Unsworn Declaration

STATE OF New York

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COUNTY OF New York

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Pursuant to the Tex. Civ. Prac. and Rem. Code § 132.001(a), (b), and (d), my name is Ross Goldstein. I hold the position of Senior Vice President and am the authorized representative of AIU Insurance Company. My business address is:
1271 Avenue of the Americas, New York, New York, NY, 10020.
(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.

DocuSigned by:

Ross Goldstein

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Declarant

March 26, 2026 | 9:55 AM PDT

Executed on _____, 2026.