

**BEFORE THE COMMISSONER OF INSURANCE  
OF THE STATE OF KANSAS**

**In the Matter of the:**  
**LIBERTY MUTUAL** )  
**INSURANCE COMPANY** ) **Docket No. 4019-SO**  
**NAIC #23043**

**CONSENT ORDER**

The Kansas Insurance Department (“KID”) and Liberty Mutual Insurance Company (“Liberty”) wish to resolve this case arising out of a fraud and abuse complaint and investigation of a workers’ compensation claim brought by Tressa Abbott-Wilson a/k/a Tressa L. Wilson-Abbott (the “Claimant”). Pursuant to the authority granted to the Commissioner of Insurance (“Commissioner”) by K.S.A. 44-5,120(e), K.S.A. 40-103 *et seq.*, and K.S.A. 77-501 *et seq.*, the Commissioner hereby agrees to the terms of this Consent Order and accepts Liberty’s tender of payment in the amount of \$2,000.00 in exchange for dismissal of this action with prejudice.

**Findings of Fact**

KID and Liberty agree to the following findings of fact:

1. Liberty (“the Carrier”) is a licensed insurance carrier doing business in the State of Kansas, and its NAIC number is 23043. KID records also indicate the insurance carrier is domiciled in the state of Massachusetts, with its statutory office at 175 Berkley Street, Boston, MA 02117.
2. Ms. Wilson-Abbott is an employee of Goodyear Tire & Rubber Company of Topeka, Kansas (“the Employer”). She sustained injuries in the course of her employment

3. with this employer. As a result of these work-related injuries, she retained an attorney, and this resulted in a Court Order being issued December 22, 2006, awarding Workers' Compensation benefits, Docket No.1, 034,635.
4. ALJ Bruce Benedict held that Ms. Wilson-Abbott sustained a compensable injury and ordered the insurance carrier and Respondent to provide temporary total disability ("TTD"), benefits as well as to provide medical treatment and to pay medical benefits to authorized providers. Doctor Lynn Curtis was designated her treating physician.
5. KID received a number of written complaints against the carrier starting before and after the ALJ's August 22, 2007 Order. Ms. Wilson-Abbott contends that she experienced difficulty getting her prescriptions, medical tests, surgical procedures approved, and her TTD payments timely. Dr. Lynn Curtis, her treating physician, also complained on behalf of Ms. Wilson-Abbott about the carrier's refusal to timely fill her prescriptions, approve medical tests, and/or provide needed surgeries.
6. The complaint was assigned to Eliehue Brunson, Staff Attorney, for his review to determine if violations cited in paragraph 6 had taken place and specifically to find whether the insurance carrier had intentionally, knowingly, and willfully failed to pay benefits.
7. Though some of the facts are in dispute, the Kansas Division of Insurance contends that the Carrier failed in a number of instances to provide timely TTD payments, medical confirmation for prescriptions, medical tests and surgical procedures in violation of K.S.A. 44-5,120(d) (15) and K.S.A. 44-5,120(d) (19) of the Kansas Workers' Compensation Fraud and Abuse Act, and a Summary Order was issued.

8. After receiving two complaints against the carrier and being served with a Summary Order concerning its alleged violations, the Carrier is now much more fully aware, sensitive, and understanding of the injured worker's needs for prompt arrangements for medical treatment and other benefits as provided under the provisions of the Kansas Workers' Compensation Fraud and Abuse Act.
9. Ms. Addott-Wilson has now received the required medical treatment as prescribed by her treating physician.
10. The Kansas Insurance Department ("KID") has jurisdiction over this matter pursuant to K.S.A. 44-5,120, K.S.A. 40-103 *et seq.* and K.S.A. 77-501.
11. In lieu of further administrative litigation in this matter by the Kansas Insurance Department for alleged acts of conduct as defined in K.S.A. 44-5,120(d), both KID and Liberty Mutual have jointly agreed to the terms of this Consent Order.
12. KID and Liberty Mutual jointly agree to the terms of this Consent Order, and Liberty Mutual will pay the sum of Two Thousand Dollars (\$2,000.00) and KID will dismiss this action with prejudice.
13. KID acknowledges that Liberty Mutual admits no liability in agreeing to this Consent Order. The payment made pursuant to this agreement shall not be construed in any fashion as an admission of liability on behalf of Liberty Mutual for the purposes of this administrative action or for the purposes of any other litigation, administrative or civil, arising out of this incident including, but not limited to, Tressa Abbott-Wilson a/k/a Tressa L. Wilson-Abbott *v. Liberty Mutual Insurance Company*, Docket No. 1,034,635.

### Applicable Law

1. K.S.A. 77-501 *et seq.* – The Kansas Administrative Procedures Act
2. K.S.A. 77-601 *et seq.* – The Act for Judicial Review and Civil Enforcement of Agency Action.
3. K.S.A. 44-5,120 *et seq.* Fraudulent or abusive acts or practices; defined; powers, duties and functions of director of workers compensation and commissioner or insurance, etc...

### Conclusions of Law

**IT IS, THEREFORE, AGREED UPON BY THE COMMISSIONER OF INSURANCE AND LIBERTY MUTUAL INSURANCE COMPANY (“LIBERTY MUTUAL”):**

14. Liberty Mutual agrees to make a payment of Two Thousand Dollars (\$2,000) to KID in exchange for the dismissal of this action with prejudice.
15. KID acknowledges that Liberty Mutual admits no liability in agreeing to this Consent Order. The payment made pursuant to this agreement is in settlement of disputed claims and shall not be construed in any fashion as an admission of liability on behalf of Liberty Mutual for the purposes of this administrative action or for the purposes of any other litigation, administrative or civil, arising out of this incident including, but not limited to, Ms. Abbott-Wilson’s workers’ compensation claim.
16. The fact of this payment, the settlement negotiations between KID and Liberty Mutual, and the entry of this Consent Order shall not be admissible in evidence in any respect in Tressa Abbott-Wilson a/k/a Tressa L. Wilson-Abbott’s workers’ compensation claim, Docket No. 1,034,635.
  - a. Upon the entry of this Consent Order, this action shall be dismissed

with prejudice.

- b. The entry of this Consent Order is based upon a strict compromise of disputed issues between KID and Liberty Mutual and may not be used as evidence in any other proceeding.
- c. Liberty Mutual will deliver, within twenty (20) days of the entry of this Order, the sum of Two Thousand Dollars (\$2,000) to Eliehue Brunson, KID Staff Attorney, on behalf of the Kansas Insurance Department.
- d. If payment is not made as required, KID may vacate and/or declare this Consent Order void and proceed with a Summary Order and a hearing.

**IT IS SO ORDERED THIS 8th DAY OF Feb., 2009, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.**



Sandy Praeger  
Commissioner of Insurance

By: /s/ John W. Campbell  
John W. Campbell  
General Counsel

Liberty Mutual Insurance Company

By: /s/ Vince Wardein

**Certificate of Service**

The undersigned hereby certifies that he served a true and correct copy of the above and foregoing Consent Order on this 8th day of February, 2010, by placing the same in the United States Mail, first class postage prepaid, addressed to the following:

Carl Gallagher  
Attorney at Law  
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Liberty Mutual Insurance Company  
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/s/ Eliehue Brunson \_\_\_\_\_  
Eliehue Brunson  
Staff Attorney