

American Arbitration Association  
New York No-Fault Arbitration Tribunal

In the Matter of the Arbitration between:

New Bethesda Acupuncture PC (Applicant)	AAA Case No.	17-22-1277-3873
- and -	Applicant's File No.	3117341
	Insurer's Claim File No.	0580237063 YSF
Allstate Fire & Casualty Insurance Company (Respondent)	NAIC No.	29688

### ARBITRATION AWARD

I, Regina Anzalone Kurz, the undersigned arbitrator, designated by the American Arbitration Association pursuant to the Rules for New York State No-Fault Arbitration, adopted pursuant to regulations promulgated by the Superintendent of Insurance, having been duly sworn, and having heard the proofs and allegations of the parties make the following **AWARD**:

Injured Person(s) hereinafter referred to as: The injured party.

1. Hearing(s) held on 12/05/2023  
Declared closed by the arbitrator on 12/05/2023

Melissa Scotti, Esq. from Law Offices of Andrew J. Costella Jr., Esq. participated virtually for the Applicant

Dana Nolan, Esq. from Law Office Of Lawrence & Lawrence participated virtually for the Respondent

2. The amount claimed in the Arbitration Request, **\$3,821.96**, was NOT AMENDED at the oral hearing.  
Stipulations WERE NOT made by the parties regarding the issues to be determined.
3. Summary of Issues in Dispute

No-Fault health benefits claimed for acupuncture treatment provided to the injured party, a 46-year-old female, during the period of May 21, 2020 through September 29, 2020 following her involvement in an automobile accident on March 3, 2020. Respondent denied the claim based solely on a fee schedule defense.

4. Findings, Conclusions, and Basis Therefor

As per 11 NYCRR Section 65-4.2(3)(iii), often referred to as the "Rocket Docket," the written record is deemed closed upon receipt of the respondent's submissions OR the expiration of the time period set forth for same, 30 calendar days. **Documents received by the American Arbitration Association after the close of conciliation and marked "late" were not considered by the undersigned in making this Award.**

It is well-settled that a health care provider establishes its *prima facie* entitlement to No-Fault Benefits under Article 51 of the Insurance Law by offering proof that it submitted documentation setting forth the particulars of the claim to the insurer and that payment of same is overdue. See *Mary Immaculate Hospital v. Allstate Insurance Co.*, 5 AD3d 742 (2nd Dept.2004); *Amaze Medical Supply v. Eagle Insurance*, 2 Misc. 3d 128A 784 NYS2d 918, 2003 N.Y. Slip Op. 251701U [App.Term, 2d & 11th Jud. Dists.]. I find that Applicant has met its *prima facie* threshold.

After a *prima facie* case has been presented, the claim must generally be paid or denied within 30 days, or it is "overdue," commencing the accrual of interest and attorney fees. See, N.Y. Ins. Law § 5106[a] (McKinney 2000); 11 NYCRR § 65-3.8(a)(1), *Presbyterian Hospital v. Maryland Cas. Co.*, 90 N.Y.2d 274, 660 N.Y.S.2d 536 (1997).

This is a claim for acupuncture treatment provided to the injured party, a 46-year-old female, during the period of May 21, 2020 through September 29, 2020 following her involvement in an automobile accident on March 3, 2020.

Respondent denied the claim based solely on a fee schedule defense.

According to the record, and with benefit of the breakdown dispute submitted by Respondent's attorney, the following is in issue:

**Dates of service May 21, 2020 through June 22, 2020, \$4.50 owed**

DOS 5/21 paid Acu treatment and OV at FS. Dispute is 97026 (26.46) and 97039 (67.48). Paid 34.68 to Chiro. Paid 67.60 to MD. DOS 5/26 paid Acu treatment at FS. Dispute is 97026 (26.46) and 97039 (67.48). Paid 34.68 to Chiro. Paid 67.60 to MD. DOS 5/28 paid Acu treatment at FS. Dispute is 97026 (26.46) and 97039 (67.48). Paid 34.68 to Chiro. Paid 67.60 to MD. DOS 6/1 paid Acu treatment at FS. Dispute is 97026 (26.46) and 97039 (67.48). Paid 34.68 to Chiro. Paid \$67.60 to MD. DOS 6/2 paid Acu treatment at FS. Dispute is 97026 (26.46) and 97039 (67.48). Paid \$64.31 to MD. DOS 6/4 paid Acu treatment at FS. Dispute is 97026 (26.46) and 97039 (67.48). Paid 34.68 to Chiro. Paid 67.60 to MD. DOS 6/8 paid Acu treatment at FS. Dispute is 97026 (26.46) and 97039 (67.48). Paid 34.68 to Chiro. Paid 67.60 to MD. DOS 6/9 paid Acu treatment at FS. Dispute is 97026 (26.46 billed, paid \$5.49) and 97039 (67.48). Paid 34.68 to Chiro. Paid \$64.31 to MD. DOS 6/11 paid Acu treatment at FS. Dispute is 97026 (26.46) and 97039 (67.48). Paid 67.60 to MD. Paid 34.68 to Chiro. DOS 6/15 paid Acu treatment at FS. Dispute is 97026 (26.46) and 97039 (67.48). Paid \$64.31 to MD. Paid 34.68 to Chiro. DOS 6/16 paid Acu treatment at FS. Dispute is 97026 (26.46 billed, paid \$5.49) and 97039 (67.48). Paid 67.60 to MD. DOS 6/18 and 6/22 paid Acu treatment at

FS and paid \$46.24 for 97026 and 97039 (2) as both are subject to 8 units. Paid \$67.60 to MD on 6/18 and 6/22. DOS 6/2, 6/15 -  $\$64.31/8.45 = 7.61$ .  $8 - 7.61 = .39 \times 5.78 = \$2.25$  owed.

**Dates of service June 24, 2020 through July 15, 2020, \$0.00 owed**

DOS 6/24 paid Acu treatment and 97026 at FS. Dispute is 97039 (67.48). Paid 34.68 to Chiro. Paid \$67.60 to MD. DOS 6/25 paid Acu treatment at FS. Dispute is 97026 (26.46 billed, paid \$2.25) and 97039 (67.48). Paid \$64.31 to MD. DOS 6/29 paid Acu treatment, OV and 97026 at FS. Dispute is 97039 (67.48). Paid 34.68 to Chiro. Paid \$67.60 to MD. DOS 6/30 paid Acu treatment at FS. Dispute is 97026 (26.46) and 97039 (67.48, paid \$2.25). Paid \$64.31 to MD. DOS 7/2 paid Acu treatment at FS. Dispute is 97026 (26.46 billed, paid \$2.25) and 97039 (67.48). Paid \$67.60 to MD. DOS 7/7 paid Acu treatment and 97026 at FS. Dispute is 97039 (67.48, paid \$8.44 - 8 unit payment was 23.12). Paid \$33.83 to MD. DOS 7/10 paid Acu treatment and 97026 at FS. Dispute is 97039 (67.48, paid \$8.44 - 8 unit payment was 23.12). Paid \$33.83 to MD. DOS 7/14 paid Acu treatment and 97026 at FS. Dispute is 97039 (67.48, paid \$8.44 - 8 unit payment was 23.12). Paid \$33.83 to MD. DOS 7/15 paid Acu treatment and 97026 at FS. Dispute is 97039 (67.48, paid \$8.44 - 8 unit payment was 23.12). Paid \$33.83 to MD.  $\$33.83/8.45 = 4$ .  $8 - 4 = 4 \times 5.78 = \$23.12$ .

**Dates of service July 21<sup>st</sup> through 30<sup>th</sup>, 2020, \$61.56 owed**

DOS 7/21 paid OV at fee schedule. Typo on the Acu treatment resulted in 97813 not being input correctly. Owe \$61.56 for Acu treatment. Dispute is for 97026 (26.46) and 97039 (67.48). Paid \$67.60 to MD. DOS 7/23 Acu treatment paid at FS. Dispute is 97026 (26.46) and 97039 (67.48). Paid \$67.60 to MD. DOS 7/30 Acu treatment paid at FS. Dispute is 97026 (26.46) and 97039 (67.48). Paid \$67.60 to MD. Input error on EOB.

**Dates of service August 25, 2020 through September 3, 2020, \$9.07 owed**

DOS 8/25 Acu treatment paid at FS. Dispute is 97026 (26.46) and 97039 (67.48) - paid \$37.17 towards 8 units. DOS 8/27 Acu treatment paid at FS. Dispute is 97026 (26.46) and 97039 (67.48) - paid \$46.24 per 8 units already. Paid \$61.60 to MD. DOS 8/31 Acu treatment paid at FS. Dispute is 97026 (26.46) and 97039 (67.48) - paid \$46.24 per 8 units already. Paid \$61.60 to MD. DOS 9/3 Acu treatment paid at FS. Dispute is 97026 (26.46) and 97039 (67.48) - paid \$46.24 per 8 units already. Paid \$61.60 to MD. DOS 8/25  $\$46.24 - 37.17 = \$9.07$ .

**Dates of service September 15<sup>th</sup> through 29<sup>th</sup>, 2020, \$21.60 owed**

DOS 9/15 Acu treatment paid at FS. Dispute is 97026 (26.46) and 97039 (67.48) - paid \$17.17 towards 8 units. Paid \$38.73 to MD. DOS 9/17 Acu treatment paid at FS. Dispute is 97026 (26.46) and 97039 (67.48). Paid \$61.60 to MD. DOS 9/22 Acu treatment paid at FS. Dispute is 97026 (26.46) and 97039 (67.48) - paid \$17.17 towards 8 units. Paid \$38.73 to MD. DOS 9/24 Acu treatment paid at FS. Dispute is 97026

(26.46) and 97039 (67.48). Paid \$61.60 to MD. DOS 9/28 Acu treatment paid at FS. Dispute is 97026 (26.46) and 97039 (67.48). Paid \$61.60 to MD. DOS 9/29 Acu treatment paid at FS. Dispute is 97026 (26.46) and 97039 (67.48). Paid \$61.60 to MD. DOS 9/15, 9/17 -  $\$38.73/8.45 = 4.58$ .  $8 - 4.58 = 3.42 \times 5.78 = \$19.77$ .  $\$19.77 - 17.17 = \$2.60$  owed x2. DOS 9/17, 9/24, 9/28, 9/29 -  $61.60/8.45 = 7.29$ .  $8 - 7.29 = .71 \times 5.78 = \$4.10$  owed x4.

Where a fee schedule defense has been asserted, it has been held that the insurer has the burden of coming forward with competent evidentiary proof to support its fee schedule reduction or denial. See, e.g., *Roberts Physical Therapy, P.C. v. State Farm Mutual Automobile Insurance Company*, 13 Misc.3d 172, 3006 N.Y. Slip Op. 26240 (N.Y. Civ. Ct. Kings Co. 2006).

In the absence of such proof, a defense of noncompliance with the appropriate fee schedule cannot be sustained. *Continental Medical, P.C. v. Travelers Indemnity Company*, 11 Misc.3d 145(A), 2006 N.Y. Slip Op. 50841(U) (App. Term 1st Dept. 2006).

However, an arbitrator is permitted to take judicial notice of the workers' compensation fee schedule. See, *Kingsbrook Jewish Med. Ctr. v., Allstate Ins. Co.*, 61 A.D.3d 13, 20 (2d Dept. 2009); *LVOV Acupuncture, P.C. v. Geico Ins. Co.*, 32 Misc.3d 144(A), 2011 NY Slip Op 51721(U) (App Term 2d, 11th & 13th Jud Dists. 2011); *Natural Acupuncture Health, P.C. v. Praetorian Ins. Co.*, 30 Misc.3d 132(A), 2011 NY Slip Op 50040(U) (App Term, 1st Dept., 2011).

At the hearing, Respondent's counsel conceded that an additional \$96.73 was due and owing to Applicant.

I find that Respondent has sustained its fee schedule defense. to the extent noted above.

Applicant has not offered sufficient rebuttal evidence to refute the carrier's position.

Upon careful consideration of the record, I find that the evidence favors Respondent as to matters of law and fact. In so doing, I have determined that the asserted fee schedule defense is valid. Accordingly, Applicant is awarded the sum of \$96.73 in full satisfaction of the claim.

Pursuant to the Regulations, the Arbitrator shall be the judge of the relevance and materiality of the evidence offered and strict conformity to legal rules of evidence shall not be necessary. The Arbitrator may question any party or witness or raise any issue that she deems relevant to rendering an Award that is consistent with the Insurance Law and the Regulations. 11 NYCRR Section 65-4.5 (o) (1).

Therefore, based upon the foregoing, Applicant is awarded No-Fault health benefits in the sum of \$96.73; interest pursuant to B below; attorneys' fees pursuant to C below; plus the return of Applicant's \$40.00 filing fee pursuant to D below.

This case is subject to the provisions as to attorney fees promulgated in the Sixth Amendment to 11 NYCRR 65-4 (Insurance Regulation 68-D). Interest is awarded from the date of filing, December 5, 2022, at the rate of two percent per month, not compounded, on a pro-rata basis.

5. Optional imposition of administrative costs on Applicant.  
Applicable for arbitration requests filed on and after March 1, 2002.

I do NOT impose the administrative costs of arbitration to the applicant, in the amount established for the current calendar year by the Designated Organization.

6. **I find as follows with regard to the policy issues before me:**
- The policy was not in force on the date of the accident
  - The applicant was excluded under policy conditions or exclusions
  - The applicant violated policy conditions, resulting in exclusion from coverage
  - The applicant was not an "eligible injured person"
  - The conditions for MVAIC eligibility were not met
  - The injured person was not a "qualified person" (under the MVAIC)
  - The applicant's injuries didn't arise out of the "use or operation" of a motor vehicle
  - The respondent is not subject to the jurisdiction of the New York No-Fault arbitration forum

Accordingly, the applicant is AWARDED the following:

A.

Medical		From/To	Claim Amount	Status
	<b>New Bethesda Acupuncture PC</b>	<b>05/21/20 - 09/29/20</b>	<b>\$3,821.96</b>	<b>Awarded: \$96.73</b>
<b>Total</b>			<b>\$3,821.96</b>	<b>Awarded: \$96.73</b>

- B. The insurer shall also compute and pay the applicant interest set forth below. 12/05/2022 is the date that interest shall accrue from. This is a relevant date only to the extent set forth below.

Interest is awarded from the date of filing, December 5, 2022, at the rate of two percent per month, not compounded, on a pro-rata basis.

C. Attorney's Fees

The insurer shall also pay the applicant for attorney's fees as set forth below

This case is subject to the provisions as to attorney fees promulgated in the Sixth Amendment to 11 NYCRR 65-4 (Insurance Regulation 68-D).

- D. The respondent shall also pay the applicant forty dollars (\$40) to reimburse the applicant for the fee paid to the Designated Organization, unless the fee was previously returned pursuant to an earlier award.

This award is in full settlement of all no-fault benefit claims submitted to this arbitrator.

State of NY

SS :

County of Suffolk

I, Regina Anzalone Kurz, do hereby affirm upon my oath as arbitrator that I am the individual described in and who executed this instrument, which is my award.

12/19/2023  
(Dated)

Regina Anzalone Kurz

**IMPORTANT NOTICE**

*This award is payable within 30 calendar days of the date of transmittal of award to parties.*

*This award is final and binding unless modified or vacated by a master arbitrator. Insurance Department Regulation No. 68 (11 NYCRR 65-4.10) contains time limits and grounds upon which this award may be appealed to a master arbitrator. An appeal to a master arbitrator must be made within 21 days after the mailing of this award. All insurers have copies of the regulation. Applicants may obtain a copy from the Insurance Department.*

**ELECTRONIC SIGNATURE**

**Document Name:** Final Award Form  
**Unique Modria Document ID:**  
b8c6212456dffa62bcf6abdd0a303a5

**Electronically Signed**

Your name: Regina Anzalone Kurz  
Signed on: 12/19/2023