

American Arbitration Association  
New York No-Fault Arbitration Tribunal

In the Matter of the Arbitration between:

Peaceful Health Supplies Inc.  
(Applicant)

- and -

Palisades Insurance Company  
(Respondent)

AAA Case No. 17-23-1311-5634

Applicant's File No. M21-680860

Insurer's Claim File No. -

NAIC No. 10791

### ARBITRATION AWARD

I, Anne Malone, 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: EIP

1. Hearing(s) held on 10/14/2024  
Declared closed by the arbitrator on 10/14/2024

Robert Cippitelli, Esq. from Shapiro & Associates, P.C. participated virtually for the Applicant

Kevin Savage, Esq. from Law Office of William J. Fitzula participated virtually for the Respondent

2. The amount claimed in the Arbitration Request, **\$2,800.00**, 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

The 41 year old EIP reported involvement in a motor vehicle accident on July 9, 2021; reported injury and received lumbar, cervical and knee wraps on August 2, 2021 and rental of a cold compression device provided by the applicant from August 2, 2021 to August 30, 2021.

The applicant submitted a claim for this durable medical equipment (DME), payment of which was denied by the respondent on the grounds that there was no coverage for this claim because the policy of insurance issued by the respondent was cancelled prior to the date of this loss.

**The issue to be determined at the hearing is whether the respondent established its coverage defense.**

4. Findings, Conclusions, and Basis Therefor

This hearing was held on Zoom and the decision is based upon the documents reviewed in the Modria File as well as the arguments made by counsel and/or representative at the arbitration hearing. Only the arguments presented at the hearing are preserved in this decision; all other arguments not presented at the hearing are considered waived.

The respondent contends that it did not insure the vehicle that the EIP was operating on the date of the subject accident because the policy of insurance that would have provided coverage for this loss was cancelled prior to the date of the subject accident.

New York State Vehicle and Traffic Law Section 313 states as follows:

Notice of termination. 1. (a) No contract of insurance for which a certificate of insurance has been filed with the commissioner shall be terminated by cancellation by the insurer until at least twenty days after mailing to the named insured at the address shown on the policy a notice of termination by regular mail, with a certificate of mailing, mailing, properly endorsed by the postal service to be obtained, except where the cancellation is for non-payment of premium in which case fifteen days' notice of cancellation by the insurer shall be sufficient...

(b) Every insurer shall retain a copy of the notice of termination mailed pursuant to this chapter and shall retain the certificate of mailing obtained from the postal service upon the mailing of the original of said notice. A copy of a notice of termination and the certificate of mailing, when kept in the regular course of the insurer's business, shall constitute conclusive proof of compliance with the mailing requirements of this chapter.

2. (a) Upon the termination of an owner's policy of liability insurance, other than an owner's policy of liability insurance for a motorcycle, at the request of the insured or by cancellation by the insurer, the insurer shall file a notice of termination with reference to such policy, as opposed to any insured vehicle or vehicles under such policy, with the commissioner not later than thirty days following the effective date of such cancellation or other termination, in accordance with the regulations required by paragraph (c) of this subdivision. An insurer shall not file a notice of termination with the commissioner except as required by this subdivision.

3. A cancellation or termination for which notice is required to be filed with the commissioner pursuant to subdivision two of this section shall not be effective with respect to persons other than the named insured and members of the insured's household until the insurer has filed a notice thereof with the commissioner or until another insurance policy covering the same risk has been procured, except that a notice filed with the commissioner, in the format prescribed by the commissioner, within the period prescribed in subdivision two of this section shall be effective as of the date certified therein, regardless of whether a suspension order is issued pursuant to section three hundred eighteen of this article.

To support its contention that the subject policy was cancelled prior to this loss the request of the policyholder, the respondent submitted an affidavit from Lisa Delano, a Claims Specialist for the respondent who attested to her personal knowledge and documentary proof submitted including the Declaration page of the subject policy, electronic proof of cancellation of the subject policy on April 24, 2021 which was sent to the New York DMV on August 28, 2021.

After a review of the evidence submitted, I find that the respondent has established that the policy at issue was cancelled prior to the date of this loss.

Under these circumstances, the respondent has that the applicant is to reimbursement for the claim at issue from this respondent.

**Accordingly, the claim is dismissed without prejudice to allow the applicant to pursue this matter with the proper carrier.**

Any further issues submitted in the record are held to be moot and/or waived insofar as they were not raised at the time of this hearing. This decision is in full disposition of all claims for no-fault benefits presently before this Arbitrator.

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 claim is DISMISSED without prejudice

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

State of CT

SS :

County of Fairfield

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

10/24/2024  
(Dated)

Anne Malone

#### **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:**  
0ef0f710d12b24b92645d5abf11c7466

**Electronically Signed**

Your name: Anne Malone  
Signed on: 10/24/2024