

American Arbitration Association  
New York No-Fault Arbitration Tribunal

In the Matter of the Arbitration between:

New Generation Acupuncture, P.C.  
(Applicant)

- and -

American States Insurance Company  
(Respondent)

AAA Case No. 17-24-1349-6356

Applicant's File No. NA

Insurer's Claim File No. 0528611370001

NAIC No. 19704

### 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 11/14/2024  
Declared closed by the arbitrator on 11/14/2024

Usman Nawaz, Esq. from Ratsenberg & Associates, P.C. (Long Island) participated virtually for the Applicant

Caroline Dennin from American States Insurance Company participated virtually for the Respondent

2. The amount claimed in the Arbitration Request, **\$3,912.63**, 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 42 year old EIP reported involvement in a motor vehicle accident on March 7, 2023; claimed related injury and underwent acupuncture treatment provided by the applicant from May 18, 2023 to October 16, 2023.

The applicant submitted a claim for these medical services, payment of which was timely denied by the respondent based on the IME of the EIP by Philip Cilio, D.C., L.Ac. which was performed on May 9, 2023. The IME cut-off was effective on May 24, 2023. In response, the applicant submitted a rebuttal dated November 4, 2024 by Peter Kopach, L.Ac., who does not appear to be one of the EIP's treating medical providers.

**The issue to be determined at the hearing is whether the respondent established that the medical services provided by the applicant were not medically necessary.**

#### 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.

To support a lack of medical necessity defense respondent must "set forth a factual basis and medical rationale for the peer reviewer's [or examining physician's] determination that there was a lack of medical necessity for the services rendered." Provvedere, Inc. v. Republic Western Ins. Co., 2014 NY Slip Op 50219(U) (App. Term2d, 11<sup>th</sup> and 13<sup>th</sup> Jud. Dists. 2014.) Respondent bears the burden of production in support of its lack of medical necessity defense, which if established shifts the burden of persuasion to applicant. See Bronx Expert Radiology, P.C. v. Travelers Ins. Co., 2006 NY Slip Op 52116 (App. Term 1<sup>st</sup> Dept. 2006.)

The Civil Courts have held that a defendant's peer review or medical evidence must set forth more than just a basic recitation of the expert's opinion. The trial courts have held that a peer review report's medical rationale will be insufficient to meet respondent's burden of proof if: 1) the medical rationale of its expert witness is not supported by evidence of a deviation from "generally accepted medical" standards; 2) the expert fails to cite to medical authority, standard, or generally accepted medical practice as a medical rationale for his/her findings; and 3) the peer review report fails to provide specifics as to the claim at issue; is conclusory or vague. See Nir v. Allstate, 7 Misc.3d 544 (N.Y. City Civ. Ct. 2005.)

To support its contention that the services provided to the EIP were not medically necessary, the respondent relied upon the report of the independent medical examination and TCM of the EIP by Dr. Cilio which was objectively negative and unremarkable. Range of motion was determined with the assistance of an inclinometer and goniometer. The report presents a factually sufficient, cogent medical rationale in support of respondent's lack of medical necessity defense. Dr. Cilio performed a complete and comprehensive examination of the EIP which did not identify any objective positive findings and determined that his/her injuries were resolved.

The records reviewed by Dr. Cilio indicate that the EIP began acupuncture treatment on March 9, 2023 and that the initial evaluation was performed on April 11, 2023.

Based upon the physical examination and medical records reviewed, Dr. Cilio determined that despite his subjective complaints, the EIP was not disabled and that he could perform his activities of daily living and working without restrictions. It was Dr. Cilio's opinion that there was no medical necessity for further chiropractic treatment, acupuncture, massage therapy, shockwave therapy, diagnostic testing, durable medical equipment, household help or special transportation.

Respondent has factually demonstrated that the services provided by the applicant were not medically necessary. Accordingly, the burden now shifts to the applicant, who bears the ultimate burden of persuasion. See Bronx Expert Radiology, P.C. v. Travelers Ins. Co., 2006 NY Slip Op 52116 (App. Term 1<sup>st</sup> Dept. 2006.)

In response to the report of the physical examination of the EIP by Dr. Cilio, the applicant relied upon the submissions, including the rebuttal by Peter Kopach, L.Ac. who disagreed with his conclusions and discussed the injuries sustained by the EIP and the treatment rendered to him. Peter Kopach, L.Ac. discussed in general the history, uses and benefits of acupuncture treatment and office visits and reviewed four follow-up evaluations of the EIP from June 14, 2023 to September 19, 2023 which, according to the rebuttal were essentially the same. He indicated that the EIP began acupuncture treatment on May 16, 2023.

Peter Kopach, L.Ac. argued that Dr. Cilio did not deny the future need for office visits. However, although Dr. Cilio acknowledged subjective complaints of pain, he determined that the physical examination of the EIP failed to reveal any ongoing pathology and that the EIP had recovered from his injuries from a chiropractic/acupuncture standpoint.

After a review of all the evidence submitted an issue of fact remains as to whether the services rendered are medically necessary. Conflicting opinions have been presented by Dr. Cilio based on his independent medical examination of the EIP and the rebuttal by Peter Kopach, L.Ac. submitted on behalf of the applicant.

Dr. Cilio based his determination of a lack of medical necessity for further chiropractic and acupuncture treatment based on his examination of the EIP, which included documented normal range of motion in cervical and thoracic spine measured with an inclinometer and goniometer and a negative TCM examination.

The rebuttal and submissions did not include any specific documentation of positive objective findings which would necessitate further acupuncture treatment.

Based on the foregoing, the applicant failed to document sufficient contemporaneous objective findings that would warrant continued treatment after the IME cut-off date and has not met the burden of persuasion in rebuttal. The medical records submitted do not meaningfully address the arguments that are raised in the IME report and are insufficient to overcome the burden of production established by respondent.

Therefore, the respondent has established that the acupuncture services at issue were not medically necessary.

**Accordingly, the claim is dismissed with prejudice.**

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 DENIED in its entirety

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.

11/17/2024  
(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:**  
f070f229c6169d9f2d3140db4c39d021

**Electronically Signed**

Your name: Anne Malone  
Signed on: 11/17/2024