

American Arbitration Association
New York No-Fault Arbitration Tribunal

In the Matter of the Arbitration between:

Healthy RX Inc
(Applicant)

- and -

State Farm Indemnity Company
(Respondent)

AAA Case No. 17-25-1435-1800

Applicant's File No. GM25-11294230

Insurer's Claim File No. 30-86L9-10B

NAIC No. 43796

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 07/16/2026
Declared closed by the arbitrator on 07/16/2026

John Fagan, Esq. from Law Offices of Gabriel & Moroff, P.C. participated virtually for the Applicant

Anil Singh, Esq. from Sarah C. Varghese & Associates participated virtually for the Respondent

2. The amount claimed in the Arbitration Request, **\$1,015.44**, 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 62 year old EIP reported involvement in a motor vehicle accident on January 27, 2025; claimed related injury and received various oral prescription medications provided by the applicant on September 13, 2025.

The applicant submitted a claim for this prescription medication, payment of which was denied on the grounds that the EIP did not qualify for PIP benefits under the policy of insurance could have provided coverage for this loss. In addition, the EIP was not entitled to benefits due to treatment out of network and/or failure to pre-certify treatment.

The issue to be determined at this hearing is whether the applicant has standing to bring this action in New York.

4. Findings, Conclusions, and Basis Therefor

This 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.

Jurisdiction/Venue/Standing

The submissions indicate that the EIP, a New Jersey resident was the driver of a vehicle which, according to the Declarations Page, was registered in New Jersey to a New Jersey resident under a New Jersey policy. The police report also indicates that the subject accident occurred on January 27, 2025 New Jersey in a vehicle owned by a New Jersey resident.

Conflicts relating to an insurance policy must be resolved by application of the conflict of law rules relevant to contracts. See Matter of Integon Insurance Co. v Garcia, 281 A.D.2d 480 (2d Dept. 2001). The courts apply the "center of gravity" or "grouping of contacts" inquiry to determine which State has the most significant contacts to the dispute. See Matter of Eagle Insurance Co. v Singletary, 279 A.D.2d 56 (2d Dept. 2000.)

In a case involving a contract, contacts to be examined are the place of contracting; the place of negotiation and performance; the location of the subject matter of the contract; and the domicile or place of business of the contracting parties. See Zurich Insurance Co. v Shearson Lehman Hutton, Inc., 84 N.Y.2d 309, (N.Y. 1994)

Finally, the appellate courts have held that; "[w]here an action is one involving the rights and duties of the parties to an automobile contract, the law of the State where the policy was written, as evidence by the parties' understanding as to the principal location of the insured risk, would be controlling, irrespective of the fact that the accident occurred in another State." Gov't Employees Ins. Co. v. Sheerin, 65 A.D.2d 10 (2d Dept. 1978.)

The pertinent facts of the claim at issue are not in dispute. The applicant is seeking first-party no-fault benefits under a New Jersey automobile insurance policy which was written in New Jersey.

The New Jersey Family Automobile Insurance Policy, NJ Statutes and regulations require that "all medical disputes must be submitted to NJ Arbitration. Such dispute resolution is governed by N.J.S.A. 39:6a-5.1 et. seq.

and N.J.A.C. 11:3-5.1 et. seq. and Administrative rules apply to disputes arising under contracts affected by the provisions of the 1991 New Jersey 'Automobile Insurance Cost Reduction Act,' specifically, to claims under policies issued or renewed on or after March 22, 1999, and any voluntary submission by the parties pursuant to N.J.S.A. 39:6A-9.1 and 39:6A-11."

The policy of insurance at issue further provides that at the option of the respondent "benefits for medically necessary treatment or tests under this policy may be assigned to a health care provider who complies with the requirements of the Decision Point Review/Pre-Certification Plan and agrees that any disputed issues involving treatment or services provided to the insured must be resolved through our internal Appeals Process prior to submitted any disputes through Forthright as per N.J.A.C. 11:3-5."

After a review of the evidence submitted, I find that this forum is not the proper venue for resolution of this dispute and that the applicant did not have standing to bring this action in New York.

Accordingly, the claim is dismissed without prejudice to allow for the action to be brought in the proper venue.

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.

07/20/2026

(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:
0093d15a97072949dc5e1618afb4a379

Electronically Signed

Your name: Anne Malone
Signed on: 07/20/2026