American Arbitration Association
New York No-Fault Arbitration Tribunal

In the Matter of the Arbitration between:

AV Chemist LLC (Applicant)	AAA Case No.	17-25-1407-6597
	Applicant's File No.	RB-1102-601984
- and -	Insurer's Claim File No.	0772770517
	NAIC No.	29688
Allstate Insurance Company (Respondent)		

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 07/07/2026
   Declared closed by the arbitrator on 07/23/2026

   Alex Samaroo, Esq. from Baker & Narkolayeva Law P.C. participated virtually for the Applicant

   Abanobe Barsoum, Esq. from Law Offices Of Richard Schoenberg participated virtually for the Respondent

2. The amount claimed in the Arbitration Request, **$789.26**, 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 32 year old EIP reported involvement in a motor vehicle accident on October 9, 2024; claimed related injury and received Methyl Salicylate topical patches provided by the applicant on April 25, 2025.

   The applicant submitted a claim for this topical medication payment of which was timely made by the respondent based upon the IME of the EIP, which was performed by Joseph Margulies, M.D. on February 10, 2025.

The respondent also asserted a fee schedule defense based on the fact that this is an over the counter medication which is not reimbursable according to the no fault fee schedule.

The issues to be determined at the hearing are:

Whether the respondent established its fee schedule defense.

Whether the respondent established that the medication at issue was 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.

Fee Schedule

The applicant billed a total of $789.26 for the medication at issue.

The respondent made no payment on the grounds that this is over the counter medication which is not reimbursable pursuant to the New York Workers' Compensation Medical Fee Schedule.

To prevail in a fee schedule defense, the respondent must demonstrate by competent evidentiary proof that applicant's claims were in excess of the appropriate fee schedules, or otherwise respondent's defense of noncompliance with the appropriate fee schedule cannot be sustained. Continental Medical, P.C. v. Travelers Indemnity Co., 11 Misc.3d 145(A)(App. Term 1st Dept.2006.)

According to the "Red Book" the DEA Class for this medication is "OTC". In addition a document from the Office of General Counsel of the New York State Insurance Department states NY Ins. Law §5102 (McKinney 2000) limits reimbursement under no fault to prescription drugs only. "Over-the-counter drugs and products which may be purchased without prescription are not covered expenses."

Based on the foregoing, the respondent has established its fee schedule defense.

Under these circumstances, the issue of medical necessity is moot.

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.

08/04/2026
(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:
91190664cd1e0a147a213ac14c478ebc

Electronically Signed

Your name: Anne Malone
Signed on: 08/04/2026