

American Tr. Ins. Co. v Bay Med., PC.

2026 NY Slip Op 30967(U)

March 10, 2026

Supreme Court, New York County

Docket Number: Index No. 651028/2025

Judge: Emily Morales-Minerva

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This opinion is uncorrected and not selected for official publication.

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK: PART 42M

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AMERICAN TRANSIT INSURANCE COMPANY,	INDEX NO.	<u>651028/2025</u>
Petitioner,	MOTION DATE	<u>03/20/2025</u>
- v -	MOTION SEQ. NO.	<u>001</u>
BAY MEDICAL, PC.,		
Respondent.		

DECISION + ORDER ON MOTION

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The following e-filed documents, listed by NYSCEF document number (Motion 001) 2, 9, 10, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23
 were read on this motion to/for VACATE - DECISION/ORDER/JUDGMENT/AWARD.

APPEARANCES:

Larkin Farrell LLC, New York, New York (William Robert Larkin, Esq., of counsel), for petitioner.

Frank S. Patruno Law Offices P.C., Montgomery, New York (Frank S. Patruno, Esq., of counsel), for respondent.

EMILY MORALES-MINERVA, J.S.C.

In this special proceeding, petitioner AMERICAN TRANSIT INSURANCE COMPANY moves, by notice of petition (motion sequence number 01), pursuant to CPLR § 7511, to vacate the arbitration award issued by Arbitrator Kent Benziger, Esq., and subsequently confirmed by Master Arbitrator Toby Susan DeSimone, Esq., in favor of respondent BAY MEDICAL, PC. Respondent opposes the petition.¹

¹ Respondent does not cross-petition or cross-move to confirm the arbitration award.

For the reasons explained below, petitioner's petition (mot. seq. no. 01) is denied.

BACKGROUND

On October 22, 2018, non-party Angela Santiago was injured in a motor vehicle accident (see New York State Court Electronic Filing System [NYSCEF] Doc. No. 01, petition). As a result of the accident, Ms. Santiago received medical treatment, including medical treatment from respondent BAY MEDICAL, PC. during the period of November 05, 2018 through September 04, 2019 (see id.; see also NYSCEF Doc. No. 03, lower arbitration award, dated August 25, 2024).

Thereafter, respondent submitted a no-fault benefit claim to petitioner seeking reimbursement of the medical treatment provided to Ms. Santiago, but Petitioner denied reimbursement of said claim based on (1) its assertion that Ms. Santiago was eligible for "workers' compensation as he/she was in the course of employment at the time of the accident"; and based on (2) the Independent Medical Examination (IME) report of Dr. Anna Kroll (NYSCEF Doc. No. 03, lower arbitration award; see also NYSCEF Doc. No. 01, petition). As a result of the denial, respondent initiated arbitration with petitioner (see NYSCEF Doc. No. 05,

motor vehicle no-fault insurance law arbitration request form, dated December 28, 2023).

The American Arbitration Association (AAA) assigned the action to Arbitrator Kent Benziger (Arbitrator Benziger) pursuant to AAA Case No. 17-24-1332-0866, and on July 29, 2024, Arbitrator Benziger conducted a hearing (see NYSCEF Doc. No. 03, lower arbitration award). Arbitrator Benziger reviewed fifteen disputed claims, totaling \$3,107.49 (see id.). To support its denial of the claims, petitioner, among other things, (1) argued that Ms. Santiago's injuries were sustained during the course of her employment and therefore, her claims must be submitted to her workers' compensation insurance carrier; and (2) submitted the IME report of Dr. Kroll (see id.).

Upon conclusion of the hearing and in consideration of the evidence and testimony submitted, Arbitrator Benziger determined that (1) petitioner failed "to submit even minimal proof of the indica of employment which an inference could be drawn to support its workers' compensation defense"; and (2) Dr. Kroll's IME report was not persuasive, "in that she failed to review pertinent diagnostic studies and her findings were rebutted by the treating providers" (NYSCEF Doc. No. 03, lower arbitration award, p 3-5). Accordingly, Arbitrator Benziger awarded respondent \$3,107.49 for the fifteen claims in dispute, plus statutory interest, attorneys' fees, and filing fees (see id.).

Petitioner appealed, and the matter was assigned to Master Arbitrator Toby Susan DeSimone, Esq. (master arbitrator) pursuant to AAA Case No. 99-24-1332-0866 (see NYSCEF Doc. No. 04, master arbitration award, dated December 07, 2024). There, petitioner argued that its "submissions established that there was a 'dispute' as to whether the injuries were sustained during the course of employment, which requires a hearing before the Workers' Compensation Board" (id., p 1). The master arbitrator affirmed Arbitrator Benziger's decision entirely, holding:

"Determinations of fact, the weight and credibility of evidence, and the light in which the evidence is viewed, are purely discretionary matters. The master arbitrator cannot conduct a de novo review of the above nor can the master arbitrator review errors of fact. Since the claims raised by [petitioner] in their appeal were addressed by the arbitrator below, the arguments are outside the scope of a Master review and therefore are denied"

(id.).

Further, the master arbitrator noted that master arbitrators are not permitted to re-weigh evidence and may only disturb a decision that is arbitrary, capricious, unsupported by the record, or incorrect as a matter of law, none of which were applicable here (see id.).

Despite the two-tier arbitration process, petitioner commenced the instant Article 75 proceeding, seeking vacatur of

the \$3,107.49 award pursuant to CPLR § 7511 (b)(1)(iii)² (see NYSCEF Doc. No. 01, petition). Petitioner contends that the arbitrator's decision was "contrary to well settled law and, as such, was arbitrary, capricious, and without rational basis" (id., p 15). Respondent opposes.

ANALYSIS

"It is a bedrock principle of arbitration law that the scope of judicial review of an arbitration proceeding is extremely limited" (Frankel v Sardis, 76 AD3d 136, 139 [1st Dept 2010], citing Matter of Silverman [Benmor Coats], 61 NY2d 299 [1984]). "Accordingly, an award will not be overturned unless it is violative of a strong public policy, or is totally irrational, or exceeds a specifically enumerated limitation on the arbitrator's power" (Frankel, 76 AD3d at 139, quoting Silverman, 61 NY2d at 308, and Board of Educ. of Dover Union

² Section 7511 of the CPLR provides, as relevant here:

"(a) An application to vacate or modify an award may be made by a party within ninety days after its delivery to him.

"(b) Grounds for vacating.

1. The award shall be vacated on the application of a party who either participated in the arbitration or was served with a notice of intention to arbitrate if the court finds that the rights of that party were prejudiced by:

(iii) an arbitrator, or agency or person making the award exceeded his power or so imperfectly executed it that a final and definite award upon the subject matter submitted was not made . . ."

Free School Dist. V Dovr-Wingdale Teachers' Ass'n, 61 NY2d 913, 915 [1984]).

An "arbitrator's interpretation of the issues and the scope of their authority is accorded substantial deference, and [the] Court will not overturn the decision unless there is no support at all justifying the decision" (Roffler v Spear, Leeds & Kellogg, 13 AD3d 308, 310 [1st Dept 2004] [emphasis added]). Indeed, "a court cannot examine the merits of an arbitration award and substitute its judgment for that of the arbitrator simply because it believes its interpretation would be the better one" (Matter of Arbitration Between Spence and State Univ. of New York, 230 AD3d 1559, 1561 [4th Dept 2024], citing Matter of New York State Correctional Officers & Police Benevolent Ass'n, Inc. v State of New York, 94 NY2d 321, 326 [1999]). Therefore, "the party seeking to upset an arbitration award bears a heavy burden" (Frankel, 76 AD3d at 140, citing Lehman Bros., Inc. v Cox, 10 NY3d 743, 744 [2008]).

Here, the petition must be denied because petitioner has failed to establish any cognizable ground for vacatur under CPLR § 7511 (b) (1). Arbitrator Benziger considered the evidence submitted by both parties, and concluded that petitioner failed "to submit even minimal proof of the indica of employment which an inference could be drawn to support its workers' compensation defense" (NYSCEF Doc. No. 03, lower arbitration award, p 2).

Thereafter, on appeal, where the sole issue was whether petitioner's "submissions established that there was a dispute as to whether [Ms. Santiago's] injuries were sustained during the course of employment", the master arbitrator appropriately determined that Arbitrator Benziger "decided the claim upon his review and evaluation of the record . . . and the award below was clearly articulated and had a rational and plausible basis in evidence" (NYSCEF Doc. No. 04, master arbitration award). Further, the master arbitrator declined to conduct a de novo review of Arbitrator Benziger's findings, which is the relief petitioner is ultimately seeking in the instant action before this Court. Mere disagreement with an arbitrator's factual findings or the manner in which the evidence was weighed does not constitute a basis for vacatur of an arbitration award under CPLR § 7511 (b) (1) (iii).

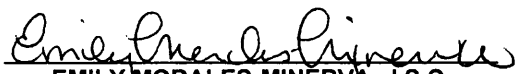
Accordingly, it is hereby

ORDERED that the petition of petitioner AMERICAN TRANSIT INSURANCE COMPANY to vacate the arbitration award issued in AAA Case No. 17-24-1332-0866 is denied in its entirety; it is further

ORDERED that petitioner shall serve a copy of this decision and order with notice of entry upon respondent BAY MEDICAL, PC. within fifteen days from the date of this decision and order; and it is further

ORDERED that the Clerk of Court shall mark the file accordingly.

THIS CONSTITUTES THE DECISION AND ORDER OF THE COURT.

<u>3/10/2026</u> DATE			 EMILY MORALES-MINERVA, J.S.C.
CHECK ONE:	<input checked="" type="checkbox"/> CASE DISPOSED	<input type="checkbox"/> NON-FINAL DISPOSITION	
APPLICATION:	<input type="checkbox"/> GRANTED	<input checked="" type="checkbox"/> DENIED	<input type="checkbox"/> GRANTED IN PART
CHECK IF APPROPRIATE:	<input type="checkbox"/> SETTLE ORDER	<input type="checkbox"/> SUBMIT ORDER	<input type="checkbox"/> OTHER
	<input type="checkbox"/> INCLUDES TRANSFER/REASSIGN	<input type="checkbox"/> FIDUCIARY APPOINTMENT	<input type="checkbox"/> REFERENCE