

American Tr. Ins. Co. v Pars Med. PC

2026 NY Slip Op 31095(U)

March 19, 2026

Supreme Court, New York County

Docket Number: Index No. 650465/2025

Judge: Kathleen Waterman-Marshall

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This opinion is uncorrected and not selected for official publication.

**SUPREME COURT OF THE STATE OF NEW YORK
NEW YORK COUNTY**

PRESENT: HON. KATHLEEN WATERMAN-MARSHALL PART 31

Justice

-----X

AMERICAN TRANSIT INSURANCE COMPANY,

Plaintiff,

- v -

PARS MEDICAL PC,

Defendant.

-----X

INDEX NO. 650465/2025

MOTION DATE 01/24/2025

MOTION SEQ. NO. 001

**DECISION + ORDER ON
MOTION**

The following e-filed documents, listed by NYSCEF document number (Motion 001) 2

were read on this motion to/for VACATE - DECISION/ORDER/JUDGMENT/AWARD.

Upon the foregoing documents, the petition of American Transit Insurance Company (“American Transit”) seeking an order, pursuant to CPLR § 7511, vacating the awards of the Arbitrator and Master Arbitrator in favor of respondent Pars Medical PC (“Pars”) in the sum of \$4,925.26, is denied without opposition and the awards are confirmed.

Background

The facts of this proceeding are simple and straightforward. American Transit issued an automobile insurance policy that provided no-fault coverage to eligible injured persons; the policy covered the period including September 30, 2022. On that date, non-party Alice Nash (“Ms. Nash”) was a passenger in the motor vehicle insured by American Transit which was involved in a motor vehicle accident that caused her to sustain injuries for which she sought treatment from Pars. The treatment included cervical epidural injections and a percutaneous discectomy. Ms. Nash timely submitted notice of the accident and injuries to American Transit and assigned to Pars her rights to collect no-fault coverage for her treatment. Pars submitted to American Transit claims totaling \$4,925.26 for treatment rendered during the period from August 28, 2023 to September 14, 2023. American Transit denied the claims as medically unnecessary.

Pars initiated arbitration proceedings. On January 17, 2025, Arbitrator Camille Nieves found that the peer review by Gary Yen, M.D., submitted in support of American Transit’s denial of Pars’ claim, was contradictory and failed to meet American Transit’s burden to establish a defense of lack of medical necessity. The Arbitrator noted that Dr. Yen opined that cervical epidural injections were not warranted because Ms. Nash presented with non-specific neck pain “without concomitant corroborative diagnostic imaging and studies”; however, Dr. Yen then contradicted his opinion conceding that Ms. Nash “did show a nerve root compression on the MRI”. The Arbitrator also considered the opinion of Isaac Kreizman, M.D., submitted in rebuttal to Dr. Yen’s opinion, noting that Dr. Kreizman countered that Ms. Nash had persistent radiating neck pain, the MRI showed evidence of herniation with nerve impingement, Ms. Nash

had positive neurologic and orthopedic findings on examination, and that Ms. Nash did not respond to conservative treatments.

Upon considering Dr. Yen's and Dr. Kreizman's opinions, the Arbitrator found that the preponderance of credible evidence refuted American Transit's defense of a lack of medical necessity. The Arbitrator found "[t]hat [Ms. Nash] suffered from accident-related radiating neck pain, corroborated on MRI, is documented and effectively undisputed," and that "[t]he peer reviewer's assertion that both the cervical epidural injection and percutaneous discectomy constitute a deviation from generally accepted standards of care has not been persuasively demonstrated." Upon such finding, the Arbitrator awarded Pars the sum of \$4,925.26.

American Transit appealed to the Master Arbitrator, who upheld the Arbitrator's award, found that American Transit "failed to meet its burden," and further found that American Transit was, effectively, attempting an improper trial *de novo* before the Master Arbitrator by seeking to have the Master Arbitrator re-weigh the evidence and facts. The Master Arbitrator noted that American Transit appeal, like the peer review by Dr. Yen, conflicted with the facts. On appeal, American Transit conceded that Ms. Nash's MRI showed nerve root compression, but argued that conservative treatment of trial injections should have first been performed prior to a percutaneous discectomy. The Master Arbitrator found that the record clearly reflected that Ms. Nash received the very injections that American Transit claimed were required to establish medical necessity, and thus rejected American Transit's argument that the evidence failed to show injections prior to discectomy.

This action ensued. American Transit urges this Court to vacate the awards upon the grounds that they are incorrect as a matter of law, and arbitrary and capricious. The motion is unopposed.

Discussion

CPLR § 7511 provides that within 90 days of service of an arbitrator's award, a party may seek to vacate the award where the party's rights were prejudice by (i) corruption or fraud, (ii) partiality of the arbitrator, (iii) an arbitrator acting in excess of their authority or imperfectly executing their authority such that the final award did not address the subject of the arbitration proceedings, or (iv) by the arbitrator's failure to follow the procedures of Article 75 of the CPLR. Likewise, where a strong public policy is violated by the award or the award is irrational, vacatur is proper (*In Re Falzone (New York Cent. Mut. Fire Ins. Co.)*, 15 NY3d 530 [2010]).

These grounds are exclusive and narrowly applied, "Courts are reluctant to disturb the decisions of arbitrators lest the value of this method of resolving controversies be undermined" (*Goldfinger v Lisker*, 68 NY2d 225 [1986]; see also *Geneseo Police Benevolent Assn. v Village of Geneseo*, 91 AD2d 858 [4th Dept 1982] *aff'd* 59 NY2d 726 [1983]). Consequently, errors of law or fact do not form a basis to vacate an arbitrator's award (*Wien & Malkin LLP v Helmsley-Spear, Inc.*, 6 NY3d 471 [2006]; *Transport Workers' Union of Am., Local 100, AFL-CIO*, 6 NY3d 332 [2005]). Indeed, "[a]n arbitration award must be upheld when the arbitrator offer[s] even a barely colorable justification for the outcome reached" (*Susan D. Settenbrino, P.C. v Barroga-Hayes*, 89 AD3d 1094 [2d Dept 2011] quoting *Wien & Malkin LLP*, 6 NY3d at 479 [internal quotation removed]). "An arbitration award will not be set aside even where the

arbitrator erred in judgment either upon the facts or the law” (*Eighty Eight Bleecker Co., LLC v 88 Bleecker Street Owners, Inc.*, 51 AD3d 507, 508 [1st Dept 2008]). Simply put, it is well established that an arbitrator’s award is largely unreviewable by this Court (*In re Falzone*, 15 NY3d at 534).

The Court declines American Transit’s invitation to vacate the arbitration award based on an alleged error of law. The Court need not determine whether the arbitration award at issue suffers from an error of law given that errors of law are not a sufficient basis to vacate an arbitration award (*see e.g. Wien & Malkin LLP, supra; Eighty Eight Bleecker Co., LLC, supra*). American Transit’s argument that the Arbitrator “failed to follow well settled law” amounts to a disagreement with the Arbitrator’s determination of applicable law and relevant facts thereto; this is tantamount to a claim that the Arbitrator misapplied the law and facts, and is insufficient to vacate an award.

The record does not substantiate American Transit’s argument that the arbitration award and master arbitration award were arbitrary and capricious. The Arbitrator considered competing medical evidence from American Transit’s and Pars’ experts, and given the unresolvable internal contradictions in American Transit’s expert’s peer review, found that American Transit did not substantiate its lack of medical necessity defense. The Arbitrator’s award, therefore, has a substantial basis in the record and is neither arbitrary nor capricious. The Master Arbitrator’s award is similarly grounded in the facts, and American Transit’s arguments to the Master Arbitrator were somewhat illogical. In those proceedings, American Transit conceded that the MRI of Ms. Nash showed a nerve root impingement, but nevertheless argued that because there was no evidence that Ms. Nash underwent trial injections prior to the percutaneous discectomy, the treatment was not medically necessary. However, as noted by the Master Arbitrator, this argument is without factual support. The record clearly reflects Ms. Nash underwent the very same epidural injections American Transit argues were required, and that these injections took place several weeks before she underwent the discectomy. Stated differently, American Transit argued that medical necessity had not been established because Ms. Nash had not undergone epidural injections prior to a discectomy; however, the evidence irrefutably established that Ms. Nash had undergone these epidural injections prior to the discectomy.

Put simply, the arbitration proceedings involved conflicting medical expert opinions, and the Arbitrator resolved the conflicting evidence; under these circumstances, this Court may not reject the Arbitrator’s choice or engage in a weighing of the evidence (*Powell v Board of Educ. Of Westbury Union Free School Dist.*, 91 AD3d 955, 956 [2d Dept 2012] [“[w]here, as here, the evidence is conflicting and room for choice exists, this Court may not weigh the evidence or reject the choice made by the arbitrator”] [internal quotation omitted]). Additionally, American Transit’s argument on appeal to the Master Arbitrator was nonsensical, Ms. Nash underwent the very procedures that American Transit argued were required to establish medical necessity. As noted by the Master Arbitrator, simply because a different conclusion can be reached in the face of conflicting or ambiguous evidence does not permit the award to be set aside on that basis (*see e.g. Eighty Eight Bleecker Co., LLC.*, 51 AD3d at 508; *Rockland County Bd. of Co-op Educational Services v BOCES Staff Ass’n*, 308 AD2d 452, 454 [2d Dept 2003]). Under no view of these facts do the Arbitrator’s or Master Arbitrator’s findings amount to arbitrary or capricious conduct.

Having found vacatur of the arbitration award inappropriate, the Court must confirm the arbitration award in its entirety (CPLR § 7511[e]; see also *Matter of Board of Educ. of Ardsley Union Free School Dist., Town of Greenburgh v. Ardsley Congress of Teachers*, 78 AD2d 879 [2d Dept 1975]). Therefore, Pars is awarded \$4,925.26 principal, plus interest at the rate of 2% per month from June 24, 2024 (the date of the arbitration award), plus attorney’s fees of 20% principal (11 NYCRR § 65-4 et. seq.), plus interest thereon.

Accordingly, it is

ORDERED that the petition is denied and dismissed; and it is further

ORDERED that the arbitrator award and master arbitrator award are confirmed in their entirety; and it is further

ORDERED, ADJUDGED AND DECLARED that Pars is awarded the sum of \$4,925.26. principal, plus interest at the rate of 2% per month from June 24, 2024, plus attorney’s fees of 20% principal, plus interest thereon; and it is further

ORDERED that American Transit shall submit a proposed Judgment effectuating this Decision and Order directly to the Clerk of the Court.

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3/19/2026

DATE

KATHLEEN WATERMAN-MARSHALL,
J.S.C.

CHECK ONE:

CASE DISPOSED

NON-FINAL DISPOSITION

GRANTED

DENIED

GRANTED IN PART

OTHER

APPLICATION:

SETTLE ORDER

SUBMIT ORDER

CHECK IF APPROPRIATE:

INCLUDES TRANSFER/REASSIGN

FIDUCIARY APPOINTMENT

REFERENCE