

**American Tr. Ins. Co. v Fast Care Med. Diagnostics
PLLC**

2026 NY Slip Op 31130(U)

March 23, 2026

Supreme Court, New York County

Docket Number: Index No. 653508/2025

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

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AMERICAN TRANSIT INSURANCE COMPANY,

Plaintiff,

INDEX NO. 653508/2025

MOTION DATE 06/10/2025

MOTION SEQ. NO. 001

- v -

FAST CARE MEDICAL DIAGNOSTICS PLLC,

Defendant.

**DECISION + ORDER ON
MOTION**

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The following e-filed documents, listed by NYSCEF document number (Motion 001) 2, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18

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 Fast Care Medical Diagnostics PLLC (“Fast Care”) in the sum of \$2,657.95, is denied. Upon the same record, the cross-motion by Fast Care to confirm the awards is granted.

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 March 28, 2023. On that date, non-party Jian Jiang (“Mr. Jiang”) was a passenger in the motor vehicle insured by American Transit which was involved in a motor vehicle accident that caused him to sustain injuries for which he sought treatment from Fast Care. Mr. Jiang was taken from the accident to the hospital via ambulance. After being released from the hospital, due to continued symptomology, Mr. Jiang sought continued medical treatment and a physician recommended the MRIs which were conducted by Fast Care. These MRIs included Mr. Jiang’s cervical and lumbar spine, right and left shoulders, and left knee. Mr. Jiang timely submitted notice of the accident and injuries to American Transit and assigned to Fast Care his rights to collect no-fault coverage for his treatment. Fast Care submitted to American Transit claims totaling \$4,925.26 for treatment rendered during the period from June 1, 2023 through June 15, 2023. American Transit denied the claims as medically unnecessary.

Fast Care initiated arbitration proceedings and submitted claims totaling \$4,386.90. On January 28, 2025, Arbitrator Bryan Hiller found that American Transit’s denial of bills dated June 8, 2023 and June 15, 2023, totaling \$2,657.95, were untimely because American Transit failed to pay, deny, or request additional verification within 30 days of receipt. Accordingly, the Arbitrator awarded Fast Care \$2,657.95. However, after considering the peer review by Dr. Peter Chiu, submitted in support of American Transit’s denial of Fast Care’s claim for lack of medical

necessity, and the rebuttal review of Dr. Vladimir Gressel, a non-treating physician submitted on behalf of Fast Care, the Arbitrator found that MRIs of the cervical and lumbar spine were not medically necessary. Accordingly, the Arbitrator denied the remainder of Fast Care's claim.

American Transit appealed to the Master Arbitrator, who upheld the Arbitrator's award. The Master Arbitrator found that the Arbitrator weighed the evidence submitted, including the competing medical opinions, and the Arbitrator's decision was based upon a fair evaluation of the evidence. 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.

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 request 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. Perplexingly, American Transit argues only the issue of medical necessity in this Article 75 proceeding; however, the

Arbitrator's award in favor of Fast Care was properly based upon American Transit's untimely denial of Fast Care's claims submitted on June 8 and 15, 2023 (*see Hosp. for Joint Diseases v Travelers Prop. Cas. Ins. Co.*, 9 NY3d 312, 318 [2007]; *Central Gen. Hosp. v Chubb Group of Ins. Cos.*, 90 NY2d 195 [1997]; Ins Law § 5106[a]; 11 NYCRR § 65-3.8[a] [30-days for insurer to pay, deny, or request verification of claim]). The Arbitrator denied Fast Care's other claims, agreeing with American Transit that there was no medical necessity for the cervical and lumbar spine MRIs. Stated differently, the Arbitrator did not reach the issue of medical necessity as to the awarded claim, and only reached the issue of medical necessity on those claims which the Arbitrator denied. Accordingly, in limiting its argument to a lack of medical necessity in this Article 75 proceeding, American Transit effectively argues that which it has already won in arbitration.

In any event, 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]). It is of no moment that the Master Arbitration award seems to incorrectly state that the Arbitrator found medical necessity for the awarded claims, as the claims were properly awarded due to American Transit's untimely denial, and American Transit did not raise timeliness in this Article 75 proceeding. American Transit's untimely denial precludes its defense of lack of medical necessity (11 NYCRR § 65-3.8[a] [30-days for insurer to pay, deny, or request verification of claim]; *Hosp. for Joint Diseases*, 9 NY3d at 318 [insurer's failure to timely pay, deny, or request verification of claim precludes defense of lack of medical necessity]). Under these circumstances, the awards of the Arbitrator and Master Arbitrator are neither arbitrary nor capricious.

Having found no basis to vacate the arbitration award, 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, Fast Care is awarded \$2,657.95 principal, plus interest at the rate of 2% per month from August 4, 2024 (Ins. Law § 5106[a]), plus attorney's fees of 20% principal (11 NYCRR § 65-4 et. seq.), plus interest thereon.

Moreover, the Court may award Fast Care its reasonable attorney's fees in the sum of \$2,200 (5.5 hours at \$400/hr) incurred in this proceeding (*see* 11 NYCRR 65-4.10[j][4]). The attorney's hourly rate, and number of hours expended on this matter, are reasonable considering the nature of this action, the issues raised, and result obtained for respondent (*Bankers Fed. Sav. Bank v Off W. Broadway Devs.*, 224 AD2d 376 [1st Dept 1996]). Notably, attorney's fees of \$2,100 were awarded to respondent's counsel in a similar matter in the Kings County Supreme Court (*American Transit Ins. Co. v Elbrus Medical Supplies Inc.*, Index No. 532497/2024 NYSCEF Doc. No. 26 [April 8, 2025] [Abadi, J.]

Accordingly, it is

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

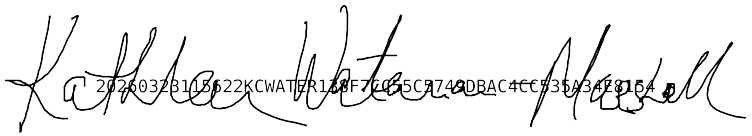
ORDERED that the arbitrator award and master arbitrator award are confirmed; and it is further

ORDERED, ADJUDGED AND DECLARED that Fast Care is awarded the sum of \$2,657.95 principal, plus interest at the rate of 2% per month from August 4, 2024, plus attorney's fees of 20% principal, plus interest thereon; and it is further

ORDERED, ADJUDGED AND DECREED that North Shore is awarded \$2,200 in reasonable attorney's fees incurred in this proceeding; and it is further

ORDERED that Fast Care shall submit a proposed Judgment effectuating this Decision and Order directly to the Clerk of the Court;

ORDERED that oral argument scheduled for March 24, 2026 is hereby vacated. Do **NOT** appear on March 24, 2026



3/23/2026

DATE

KATHLEEN WATERMAN-MARSHALL,
J.S.C.

CHECK ONE:

CASE DISPOSED
GRANTED DENIED
SETTLE ORDER
INCLUDES TRANSFER/REASSIGN

NON-FINAL DISPOSITION
GRANTED IN PART
SUBMIT ORDER
FIDUCIARY APPOINTMENT

OTHER
REFERENCE

APPLICATION:

CHECK IF APPROPRIATE: