

American Tr. Ins. Co. v Caplet Pharm. Inc

2026 NY Slip Op 30364(U)

January 26, 2026

Supreme Court, New York County

Docket Number: Index No. 650271/2025

Judge: Leslie A. Stroth

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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. LESLIE A. STROTH PART 12M

Justice

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INDEX NO. 650271/2025

AMERICAN TRANSIT INSURANCE COMPANY,

MOTION DATE 01/16/2025

Plaintiff,

MOTION SEQ. NO. 001

- v -

CAPLET PHARMACY INC,

DECISION + ORDER ON MOTION

Defendant.

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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.

FACTUAL AND PROCEDURAL BACKGROUND

Petitioner American Transit Insurance Company ("ATIC") moves pursuant to CPLR 7511 to vacate a master arbitration award issued in favor of Respondent Caplet Pharmacy Inc., assignee of claimant Glenford Eugene Hynd, in the amount of \$3,110.50. Respondent opposes and cross-petitions for statutory costs and attorney's fees pursuant to CPLR 8202 and 11 NYCRR § 65-4.10(j)(4).

Respondent sought no-fault reimbursement for pharmaceuticals billed between April 16, 2022 and September 5, 2022, following claimant's motor vehicle accident on March 28, 2022. Petitioner denied the claim based on the founded belief that the treatment was not causally related to the motor vehicle accident, which was based upon claimant's examination under oath and the biomechanical report by Dr. Omid Komari, dated August 22, 2022. After consideration of the parties' submissions and hearing argument, the lower arbitrator found that ATIC had not demonstrated by sufficient factual basis and medical rationale that the pharmaceuticals were not

causally related to the motor vehicle accident. The arbitrator awarded Respondent \$3,110.50 plus statutory interest, attorney's fees, and filing fees.

ATIC appealed the award. The master arbitrator affirmed the award, finding that the lower arbitrator's determination was rational and supported by the evidence. The master arbitrator noted that the lower arbitrator conducted a hearing, reviewed all the evidence, and considered the lack of causation.

Instead of complying with the award, ATIC initiated this Article 75 proceeding seeking vacatur. Respondent opposes and submits a cross-petition seeking \$750 in attorney's fees pursuant to 11 NYCRR § 65-4.10(j)(4) and statutory costs of \$100 pursuant to CPLR 8202. Respondent also submitted an affidavit claiming 1.5 hours of work at \$500 per hour.

LEGAL STANDARD

A petition to vacate an award pursuant to CPLR § 7511(b)(1)(iii) will be granted only when one of the following circumstances is shown: (1) the arbitrator has exceeded a specifically enumerated limitation on his authority; (2) the decision is totally irrational; or (3) the award is violative of a strong public policy (*see Bd. of Educ. of Dover Union Free School Dist. v Dover-Wingdale Teachers' Ass'n*, 61 NY2d 913, 915 [1984]). "Courts are reluctant to disturb the decisions of arbitrators lest the value of this method of resolving controversies be undermined" (*Matter of Goldfinger v Lisker*, 68 NY2d 225, 229 [1986]).

The Court does not review de novo whether the hearing arbitrator made the "best" factual or evidentiary decision; it asks only whether the award is arbitrary, capricious, irrational, or incorrect as a matter of substantive law (*Petrofsky (Allstate Ins. Co.), In re*, 54 NY2d 207, 210 [1981]). Errors involving the weighing of evidence, credibility or timeliness are factual, not legal, and lie beyond CPLR 7511.

Where a motion to vacate an arbitration award is denied, the Court must confirm the award (CPLR 7511[e]).

DISCUSSION

Petitioner argues that the lower arbitrator's decisions was incorrect as a matter of law because it submitted sufficient proof, through the expert report and claimant's examination under oath, to establish a founded belief that the treatment was not related to the motor vehicle accident. However, this founded belief argument was considered and rejected by the lower arbitrator. The lower arbitrator considered the evidence presented and made a factual finding that ATIC had failed to demonstrate by sufficient factual basis and medical rationale that the treatment was not causally related. This factual determination is supported by the record and is not irrational, nor does it exceed the arbitrator's authority or violate public policy. Moreover, the master arbitrator properly restricted appellate review to whether the lower award had a rational basis and was supported by the evidence, citing *Petrofsky*, 54 NY2d 207, and regulatory constraints.

Therefore, ATIC's petition to vacate the arbitrator and master arbitrator awards is denied and the awards are confirmed.

Having prevailed in this proceeding, Respondent's cross-petition for costs pursuant to CPLR 8202 and attorney's fees is granted (*see* 11 NYCRR § 65-4.10(j)(4); *Country-Wide Ins. Co. v TC Acupuncture P.C.*, 179 AD3d 414 [1st Dept 2020] ["a prevailing applicant for payment by petitioner insurer of attorney's fees in an article 75 proceeding reviewing an arbitration award, is entitled to an additional award of attorney's fees, as fixed by the court"]).

Accordingly, it is hereby

ORDERED and ADJUDGED that the Petition of American Transit Insurance Company to vacate the arbitration award is denied; and it is further

ORDERED and ADJUDGED that the arbitration award (AAA Case No. 17-23-1289-3145 is and AAA Assessment No. 99-23-1289-3145) rendered in favor of Caplet Pharmacy, Inc. is confirmed; and it is further

ORDERED and ADJUDGED that the cross-petition is granted, and Respondent is awarded costs in the amount of \$100.00 and attorney's fees in the amount of \$750; and it is further

ORDERED and ADJUDGED that the Clerk is directed to enter judgment accordingly.

This constitutes the decision and order of the Court.

1/26/2026
DATE

CHECK ONE: CASE DISPOSED NON-FINAL DISPOSITION **J.S.C.**

APPLICATION: GRANTED DENIED GRANTED IN PART OTHER

CHECK IF APPROPRIATE: SETTLE ORDER SUBMIT ORDER

INCLUDES TRANSFER/REASSIGN FIDUCIARY APPOINTMENT REFERENCE

[Handwritten Signature]
HONESTY IN DISPUTE