

**AMERICAN ARBITRATION ASSOCIATION
NO-FAULT/ACCIDENT CLAIMS**

In the Matter of the Arbitration between

(Claimant)

v.
OHIO CASUALTY INSURANCE
(Respondent)

AAA CASE NO.: 18 Z 600 13813 02
INS. CO. CLAIMS NO.: 01803560
DRP NAME: Margaret Knuetter
NATURE OF DISPUTE: PPO agreement

AWARD OF DISPUTE RESOLUTION PROFESSIONAL

I, THE UNDERSIGNED DISPUTE RESOLUTION PROFESSIONAL (DRP), designated by the American Arbitration Association under the Rules for the Arbitration of No-Fault Disputes in the State of New Jersey, adopted pursuant to the 1998 New Jersey "Automobile Insurance Cost Reduction Act" as governed by *N.J.S.A. 39:6A-5, et. seq.*, and, I have been duly sworn and have considered such proofs and allegations as were submitted by the Parties. The Award is **DETERMINED** as follows:

Injured Person(s) hereinafter referred to as: VG.

1. ORAL HEARING held on 10/24/03.
2. ALL PARTIES APPEARED at the oral hearing(s) .

NO ONE appeared telephonically.

3. Claims in the Demand for Arbitration were NOT AMENDED at the oral hearing (Amendments, if any, set forth below). STIPULATIONS were not made by the parties regarding the issues to be determined (Stipulations, if any, set forth below).

4. FINDINGS OF FACTS AND CONCLUSIONS OF LAW:

The issue in dispute in this matter is the reduction taken by respondent for a "PPO" . While I have decided this issue a number of times, I have found that a PPO contract is valid and binding on the provider if the terms of the agreement have been properly adhered to and if the provider has been made aware that the insurance carrier is a member of the network applying the reduction.

In the matter at hand, respondent has supplied an agreement between CHN and East Bergen Imaging, LLC, D/B/A 401 Medical Imaging that was signed in the spring of 1999 by both parties. The exact effective date is illegible. Section 5 of that agreement (p21) is entitled Time for payment. 5/1 provides that "except where coordination of benefits

applies or when a claim is subject to audit, payor or its paying agent shall use all reasonable efforts to make all payments due to participating provider within forty five (45) days following receipt by Payor or its paying agent of a complete and proper claim form". . .

Claimant argues that in this case that portion of the agreement was not met by respondent. The billing record supplied by claimant shows that the bill was sent to Ohio Casualty on 12/12/01 but was not paid until 1/30/02, over the allowed forty five day window.

I need not address the issues of validity of the agreement, as I determine as an initial finding, that the duties of respondent were not met in the prescribed time. The reduction will not be allowed and the claimant is entitled to an award in the amount that respondent reduced its payment subject only to reduction for any remaining deductible and copayment. Interest has not been calculated and is deemed waived. Attorney fees and costs are awarded.

5. MEDICAL EXPENSE BENEFITS:

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Provider	Amount Claimed	Amount Awarded	Payable to
401 Medical Imaging	\$709.44	\$709.44	Claimant & attorney

Explanations of the application of the medical fee schedule, deductibles, co-payments, or other particular calculations of Amounts Awarded, are set forth below.

Award subject to reduction for deductible and copayment if applicable

6. INCOME CONTINUATION BENEFITS: Not In Issue

7. ESSENTIAL SERVICES BENEFITS: Not In Issue

8. DEATH BENEFITS: Not In Issue

9. FUNERAL EXPENSE BENEFITS: Not In Issue

10. I find that the CLAIMANT did prevail, and I award the following COSTS/ATTORNEYS FEES under N.J.S.A. 39:6A-5.2 and INTEREST under N.J.S.A. 39:6A-5h.

(A) Other COSTS as follows: (payable to counsel of record for CLAIMANT unless otherwise indicated): \$325 filing fee

(B) ATTORNEYS FEES as follows: (payable to counsel of record for CLAIMANT unless otherwise indicated): \$1000.

(C) INTEREST is as follows: waived per the Claimant.

This Award is in **FULL SATISFACTION** of all Claims submitted to this arbitration.

11/7/03
Date

Margaret Knuetter, Esq.