

SUPREME COURT OF THE STATE OF NEW YORK, APPELLATE DIVISION,
SECOND JUDICIAL DEPARTMENT

Chapa Prods., Corp. v. MVAIC

2026 NY Slip Op 00342 (N.Y. Ct. App. 2026) · No. 2020-09296 · Decided January 28, 2026

SUMMARY

The Appellate Division, Second Department, reversed the Appellate Term and affirmed dismissal of a medical provider's action for assigned no-fault benefits. The court held that 11 NYCRR 65-3.8(b)(3) does not impose a 150-day deadline for an insurer to deny a claim based on the applicant's failure to provide requested verification within 120 days.

CASE DETAILS

COURT	Supreme Court of the State of New York, Appellate Division, Second Judicial Department
WRITING FOR THE COURT	Per Curiam; Lara J. Genovesi, J.P.; William G. Ford, J.; Lillian Wan, J.; Laurence L. Love, J.
JURISDICTION	Supreme Court of the State of New York, Appellate Division, Second Judicial Department
DECIDED	January 28, 2026
DOCKET	2020-09296
DISPOSITION	reversed
PROCEDURAL POSTURE	MVAIC appealed by permission from an order of the Appellate Term that modified the Civil Court's order granting MVAIC summary judgment dismissing a medical provider's action for assigned no-fault benefits.
PRECEDENTIAL VALUE	Published New York Appellate Division opinion
PARTIES	MVAIC v. Chapa Products, Corp.

TOPICS

- insurance coverage
- statutory interpretation
- summary judgment
- appellate procedure
- civil procedure

PRACTICE AREAS

- Insurance
- No-fault automobile insurance
- Civil procedure

QUESTIONS PRESENTED

1. Whether 11 NYCRR 65-3.8(b)(3) requires an insurer to issue a denial within 30 days after the expiration of the 120-day period for an applicant to provide requested verification.
2. Whether MVAIC was entitled to summary judgment dismissing the action because the plaintiff failed to provide requested verification within 120 days.

HOLDINGS

1. The regulation does not impose a 30-day or 150-day deadline for an insurer to issue a denial based on the applicant's failure to provide requested verification after the initial 120-day period.
2. MVAIC was entitled to summary judgment dismissing the complaint because Chapa failed to provide requested verification within 120 days, and MVAIC was not precluded from relying on that defense merely because its denial was not issued within 30 days after the 120-day period.

KEY QUOTATIONS

*“The regulations do not specify a time frame under which the insurer must issue a denial following the 120-day period.” (*2)*

FACTUAL BACKGROUND

Chapa Products, a medical provider, sought assigned no-fault benefits from MVAIC for medical services provided to an insured. MVAIC requested verification, but Chapa allegedly failed to provide the requested verification within 120 days of the initial request. MVAIC moved for summary judgment dismissing the complaint based on that failure, and the lower courts disagreed about whether MVAIC was required to deny the claim within 30 days after the 120-day period expired.

PROCEDURAL HISTORY

Chapa Products, a medical provider, sued MVAIC to recover assigned no-fault benefits. The Civil Court of the City of New York, Kings County, denied Chapa's summary-judgment motion and granted MVAIC's cross-motion for summary judgment dismissing the complaint. The Appellate Term modified that order, denying MVAIC's cross-motion and dismissing the complaint without prejudice, reasoning that MVAIC was precluded from asserting the verification defense because it did not deny the claim within 30 days after the 120-day verification period. The Appellate Term granted MVAIC leave to appeal, and the Appellate Division reversed and affirmed the Civil Court's grant of summary judgment.

DISPOSITION

reversed

CASES CITED

- *Patrolmen's Benevolent Assn. of City of N.Y. v. City of New York*, 41 N.Y.2d 205, 209

OPINION

Chapa Prods., Corp. v. MVAIC 2026 NY Slip Op 00342

PER CURIAM.

Chapa Prods., Corp. v MVAIC (2026 NY Slip Op 00342) Chapa Prods., Corp. v MVAIC 2026 NY Slip Op 00342 Decided on January 28, 2026 Appellate Division, Second Department Published by New York State Law Reporting Bureau pursuant to Judiciary Law § 431. This opinion is uncorrected and subject to revision before publication in the Official Reports. Decided on January 28, 2026

SUPREME COURT OF THE STATE OF NEW YORK

Appellate Division, Second Judicial Department LARA J. GENOVESI, J.P.

WILLIAM G. FORD

LILLIAN WAN

LAURENCE L. LOVE, JJ. 2020-09296

(Index No. 26643/15) [*1]Chapa Products, Corp., etc., respondent, v MVAIC, appellant. Marshall & Marshall, PLLC, Jericho, NY (David A. Gierasch of counsel), for appellant. DECISION & ORDER In an action to recover no-fault benefits, the defendant appeals, by permission, from an order of the Appellate Term of the Supreme Court for the Second, Eleventh, and Thirteenth Judicial Districts dated November 1, 2019. The order, insofar as appealed from, modified an order of the Civil Court of the City of New York, Kings County (Richard J. Montelione, J.), dated March 17, 2017, by providing that the defendant's cross-motion for summary judgment dismissing the complaint is denied and, upon searching the record, the complaint is dismissed without prejudice. ORDERED that the order dated November 1, 2019, is reversed insofar as appealed from, on the law, with costs, and so much of the order dated March 17, 2017, as granted the defendant's cross-motion for summary judgment dismissing the complaint is affirmed. The plaintiff, a medical provider, commenced this action against the defendant insurer to recover assigned no-fault benefits for medical services provided to an insured. The plaintiff moved for summary judgment on the complaint. The defendant cross-moved for summary judgment dismissing the complaint, arguing, inter alia, that the plaintiff failed to provide requested verification within 120 days of the defendant's initial verification request in violation of 11 NYCRR 65-3.8(b)(3). In an order dated March 17, 2017, the Civil Court, among other things, denied the plaintiff's motion and granted the defendant's cross-motion. In an order dated November 1, 2019, the Appellate Term of the Supreme Court for the Second, Eleventh, and Thirteenth Judicial Districts modified the order dated March 17, 2017, by providing that the defendant's cross-motion for summary judgment dismissing the complaint is denied and, upon searching the record, the complaint is dismissed without prejudice. The Appellate Term determined that the defendant, in failing to deny the plaintiff's claim on the ground that the plaintiff failed to provide requested verification within 120 days of the defendant's initial verification request, within 30 days of the expiration of the 120-day period, was precluded from asserting that defense. By order of the Appellate Term dated May 1, 2020, the defendant was

granted leave to appeal to this Court. 11 NYCRR 65-3.8(b)(3), the relevant regulation, unambiguously states that "an insurer may issue a denial if, more than 120 calendar days after the initial request for verification, the applicant has not submitted all such verification under the applicant's control or possession or written proof providing reasonable justification for the failure to comply." The regulations do not [*2]specify a time frame under which the insurer must issue a denial following the 120-day period. Had the New York State Department of Financial Services intended to impose a mandatory 150-day time limit to issue a denial for failure to provide the requested verification, it would have included such language in the regulations (see *Patrolmen's Benevolent Assn. of City of N.Y. v City of New York* , 41 NY2d 205 , 209). Under these circumstances, the Appellate Term improperly determined that the defendant's denial of the plaintiff's claim was untimely because it was not within 150 days of the initial verification request. Accordingly, the Appellate Term should have affirmed so much of the Civil Court's order as granted the defendant's cross-motion for summary judgment dismissing the complaint. GENOVESI, J.P., FORD, WAN and LOVE, JJ., concur. ENTER: Darrell M. Joseph Clerk of the Court