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