



**APPEAL PANEL DECISION FORM**

**I. CLAIMANT AND CLAIM INFORMATION**

<b>Claimant Name</b>	Last/Name of Business [REDACTED]	First	Middle
<b>Claimant ID</b>	[REDACTED]	<b>Claim ID</b>	[REDACTED]
<b>Claim Type</b>	Business Economic Loss		
<b>Law Firm</b>	[REDACTED]		

**II. DECISION**

Select the Compensation Amount set forth in either BP's Final Proposal or the Claimant's Final Proposal as the final outcome on the claim and check the appropriate box to signify your decision.

<input type="checkbox"/> <b>BP's Final Proposal</b>	<b>Compensation Amount</b>	<b>\$94,822</b>
	<b>Risk Transfer Premium</b>	<b>.25</b>
	<b>Prior Payment Offset</b>	<b>\$0</b>
<input checked="" type="checkbox"/> <b>Claimant's Final Proposal</b>	<b>Compensation Amount</b>	<b>\$135,759.45</b>
	<b>Risk Transfer Premium</b>	<b>.25</b>
	<b>Prior Payment Offset</b>	<b>\$0</b>

**III. PRIMARY BASIS FOR PANELIST DECISION**

Please select the primary basis for your decision. You may also write a comment describing the basis for your decision.

- Error in documentation review.**
- Error in calculation.**
- Error in RTP multiplier.**
- Error in Prior Spill-Related Payment Amount.**
- No error.**

**Comment** *(optional)*:

[REDACTED]

BP's appeal of this BEL claim asserts that the Administrator failed to properly apply Policy 495 and failed to resolve discrepancies between the Claimant's P&Ls and tax returns. Claimant is a medical practice in Zone D that operates on the cash basis of accounting. BP raises the mismatching of revenue and expenses based on large spikes in revenue. BP specifically complains that Claimant often receives payments in months after it performed medical services, e.g., insurance payments. BP argues that the Claims Administrator misapplied Policy 495 and thus failed to address the timing difference between Claimant's revenue and expenses. Beyond that, BP assigns error in the Administrator's selection of the AVM methodology rather than the Professional Services methodology. BP also complains of the Administrator's asserted failure to resolve discrepancies between the P&Ls and the tax returns.

Boiled down, BP's principal argument is that the Claims Administrator committed a threshold mistake in failing to restate revenue and variable expenses as the first step of Policy 495. This is an argument that has been advanced unsuccessfully by BP on other appeals. As determined in numerous appeal panel decisions, there is no initial step of Policy 495 involving the restatement of revenue and expenses. Instead, the financials are subjected to the seven criteria in Section II to determine if there is any indicia of mismatching. In this case, two of the seven criteria were triggered. In response, the Annual Variable Margin methodology was utilized to restate the Claimant's revenue and variable expenses. There is nothing in the record that supports BP's claim of error in the application of Policy 495.

BP's other assigned errors are likewise not well taken. Selection of the Professional Services methodology was well within the accounting vendor's professional discretion and is supported by the record. Finally, the record indicates that the vendor did obtain information from the Claimant

sufficient to resolve any discrepancy between the financials and the tax returns. Accordingly, there is no basis for remand. The award of compensation in this case is therefore affirmed.