

# Daniel S. Eichhorn Successfully Obtained Summary Judgment Granting Judgment In Full In Favor of the Firm's Medical Billing Client and Dismissing the Defendant's Counterclaim

June 1, 2021

Our client, the Plaintiff, is a third-party medical billing company. Medical practices hire our client to perform their billing and collections.

Cullen and Dykman filed suit on behalf of the client against the Defendant, a chiropractor, as a result of his practice's failure to pay invoices and because the Defendant improperly and prematurely terminated the parties' contract. The Defendant filed a counterclaim against Smart for breach of contract.

At the conclusion of discovery Cullen and Dykman filed a motion for summary judgment seeking a judgment in favor of the plaintiff's claims and to dismiss the defendant's Counterclaim.

Oral argument of the motion was held on Friday, May 15<sup>th</sup> and the Judge ruled in our favor on all aspects of the motion.

1. As to Plaintiff's claim for unpaid invoices:

- a. Cullen and Dykman obtained judgment for the full amount of the unpaid invoices.
- b. The Judge upheld the 18% interest rate for unpaid invoices set forth in the contract and awarded Plaintiff its' full interest owed 18%.

2. As to Plaintiff's claim for the Defendant's premature termination of the contract:

- a. The Judge entered judgment in favor of Plaintiff.
- b. The Judge ruled that since the Defendant failed to provide the contractually required 90 days prior written notice of termination, the contract per its terms automatically renewed for another entire year.
- c. The Judge ruled that the Defendant was liable for the fees Plaintiff would have received for another one year of the contract. He came to this figure by multiplying the average monthly fees Plaintiff had received in the past by twelve.
- d. The Judge further ruled that Plaintiff was entitled to an additional six (6) months of fees under a Contract provision that was specifically drafted to address improper and premature terminations of the contract.

- i. Daniel S. Eichhorn had previously redrafted this very provision that was upheld by the Court.
- ii. The Judge read the provision on the record and concluded that it could not have been clearer, and that the Defendant clearly knew what the contract provided for in the case he prematurely terminated.

3. The Court also awarded Plaintiff its lawyer's fees and litigation expenses as provided in the Contract.
4. The Court also dismissed the Defendant's counterclaim for breach of contract. The Judge concluded that we were correct in our argument that the Defendant had not put forth any viable evidence in support of his claim that Smart breached the contract, or that our client's actions caused any damages to the Defendant.

## Practices

- Commercial Litigation

## Attorneys

- Daniel S. Eichhorn