



AUTOMOBILES

NEW JERSEY DEPARTMENT OF
BANKING AND INSURANCE
QUARTERLY REPORT

No Fault PIP Arbitration
1st Quarter 2016



FORTHRIGHT

1ST QUARTER 2016 REPORT

TO THE

NEW JERSEY DEPARTMENT OF BANKING AND INSURANCE

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EXECUTIVE SUMMARY

In the first quarter of 2016, 12,644 cases were initiated in the PIP dispute resolution program. Of these cases, 7,078 (56%) were initiated in the Northern region, 1,637 (13%) in the Central region, 1,591 (13%) in the Southern region, and 2,338 (18%) as OTP.

The DRP panel consisted of 65 members. The DRPs are regionally deployed as follows: 44 in the North, 10 in the Central, and 11 in the South. 11,888 cases were assigned to DRPs.

Of the pending cases in the PIP arbitration program, 15,275 were concluded during the first quarter by means of an award or denial of award (including appeals), pre-hearing dismissal of the case, settlement, or withdrawal. There were 1,317 cases placed in abeyance by consent of the parties or by order of the court.

System-wide, the average amount awarded in arbitration (excluding filing fees) was \$4,814, comprised of \$3,979 for personal injury protection benefits and \$835 for attorney's fees per case. It is common practice for users to stipulate that amounts awarded by DRPs are subject to further reduction for deductibles, co-payments, prior payments, and/or medical fee schedule adjustments. In such cases, the final amount paid by the Respondent for PIP benefits may be less than the awarded amount.

Seventeen appeals to panels of three DRPs were concluded during the reporting period. Thirteen involved awards or dismissal orders rendered in the North Region, three in the Central Region, and one in the South Region. Only one award was vacated and modified.

During the reporting period, parties requested MRO reviews applicable to 15 cases. DRPs did not request any reviews. The requests were apportioned among the four certified MROs on a rotating basis.

CASES INITIATED

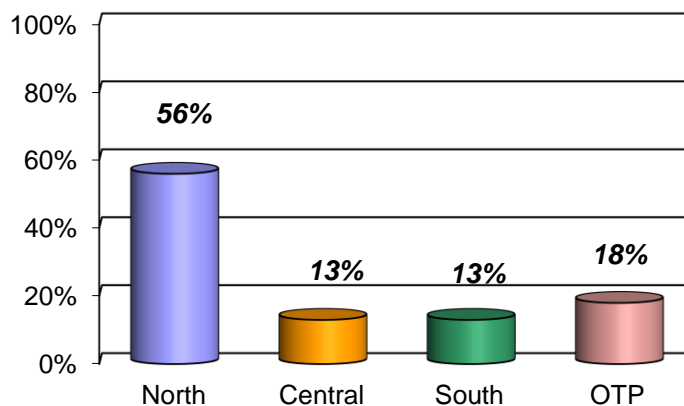
Cases are considered “filed” as of the date a Demand for Arbitration is received by Forthright. Case “initiation” occurs when an initiation letter is transmitted to the parties.

Cases which qualify for “in-person” (“IP”) proceedings may be filed in one of the three regions – Central, North, or South. They are assigned to a DRP with an office within the geographic location. Cases that proceed “on-the-papers” (“OTP”) are not region-specific and may be assigned to any DRP. Throughout this report, data are reported as OTP or IP. Regional breakdowns of data describe IP cases only and will bear the designation of “IP - [region].”

In the first quarter of 2016, 12,644 cases were initiated in the PIP dispute resolution program. Of these cases, 7,078 (56%) were initiated in the Northern region, 1,637 (13%) in the Central region, 1,591 (13%) in the Southern region, and 2,338 (18%) as OTP. See the table below for the monthly distribution.

	IP - North	IP - Central	IP - South	OTP	Total
January	2,096	493	512	659	3,760
February	2,238	543	560	818	4,159
March	2,744	601	519	861	4,725
Totals	7,078	1,637	1,591	2,338	12,644

Cases Initiated by Region and OTP



TRANSFER OF CASES FROM OTP PROCEEDINGS TO IP PROCEEDINGS

Under certain circumstances, cases that were initially filed as OTP may be transferred to IP proceedings. The circumstances include consolidations (automatic, by consent, or by request), insurance policy issues identified by Respondent, change of claim, and cases voluntarily filed as OTP, but the Respondent does not consent. Please consult arbitration Rules 6, 9, and 51 for a complete explanation of the circumstances for transfer. The table below shows the number of cases transferred in the first quarter and the reason.

Consolidation	Policy Issues	Change of Claim	Voluntary OTP Filings	Total
219	35	68	48	370

DISPOSITION OF CASES IN THE PIP ARBITRATION PROGRAM

Of the pending cases in the PIP arbitration program, 15,275 were concluded during the first quarter by means of an award or denial of award (including appeals), pre-hearing dismissal of the case, settlement, or withdrawal. The table below illustrates the manner in which cases were administered and concluded in the three IP geographic regions as well as the OTP category.

Disposition Type	IP - North	IP - Central	IP - South	OTP	Total
Awarded/Denied	3,694	1,082	955	735	6,466
Dismissed Pre-Hearing	6	8	4	0	18
Settled	3,921	1,227	988	1,476	7,612
Withdrawn	683	143	173	180	1,179
Total	8,304	2,460	2,120	2,391	15,275

* Pre-hearing dismissal is not an option for OTP cases.

DISPOSITION OF CASES BY PERCENTAGE

The table below presents the disposition of OTP cases and the regional disposition of IP cases as percentages of all case dispositions during the reporting period.

Disposition Type	IP - North	IP - Central	IP - South	OTP
Awarded/Denied	45%	45%	44%	31%
Dismissed Pre-Hearing	(<1%)	(<1%)	(<1%)	N/A
Settled	47%	47%	50%	62%
Withdrawn	8%	8%	6%	7%

CASES IN ABEYANCE

Administration of certain cases is suspended by way of Court Order or consent of the parties. These cases are designated as in abeyance. Abeyances for the reporting period are shown in the table below.

IP - North	IP - Central	IP - South	OTP	Total
878	235	204	0	1317

CASES SETTLED WITHIN 45 DAYS OF INITIATION

The Respondents are granted a conciliation period of 45 days from case initiation in which to settle claims without incurring the Respondent administration fee.

The following table expresses the distribution of settlements within 45 days of initiation.

	IP - North	IP - Central	IP - South	OTP	Total
Settlements*	1,555	462	321	892	3,230

** Note: This data is based only upon user communications describing cases as settled or resolved. There are likely cases that the parties communicated as “withdrawn” or otherwise concluded which were actually settled and would qualify for this category.*

DISPUTE RESOLUTION PROFESSIONAL CASELOAD

The DRP panel consisted of 65 members. The DRPs are regionally deployed as follows: 44 in the North, 10 in the Central, and 11 in the South. 11,888 cases were assigned to DRPs.

Caseload activity of DRPs is represented in Appendix A. The appendix distinguishes IP cases from OTP cases. Note that the tally of awarded and settled cases displayed in the “Disposition of Cases After DRP Added” Section and Appendix A may vary slightly because of the method of collecting data for each. For example, an award rendered by a three DRP panel is reported for each DRP in Appendix A. A case that settles while in abeyance without an active DRP will not be counted in Appendix A.

DISPOSITION OF CASES AFTER DRP ASSIGNMENT

OTP cases are assigned to a DRP upon initiation. IP cases are assigned to DRPs following expiration of the 45-day conciliation period. After DRP appointment, a total of 12,602 cases were resolved during the quarter, resulting from a combination of DRP-issued awards (which includes denials and appeals), pre-hearing dismissals, settlements, and withdrawals.

The following table represents the distribution and outcomes of cases across the entire DRP panel during the first quarter of 2016 after the cases were assigned to DRPs. Note that the tally of awarded and settled cases displayed in the “Disposition of Cases After DRP Added” Section and Appendix A may vary slightly because of the method of collecting data for each. For example, an award rendered by a three DRP panel is reported for each DRP in Appendix A. A case that settles while in abeyance without an active DRP will not be counted in Appendix A.

Disposition	IP - North	IP - Central	IP - South	IP - Total	OTP
Awarded/Denied	3,609	1,023	905	5,537	679
Dismissed by DRP	6	8	4	18	0*
Settled	2,428	767	661	3,856	1,468
Withdrawn	584	124	159	867	177
Total	6,627	1,922	1,729	10,278	2,324

* Not applicable to OTP proceedings

REGIONAL AWARDS PERCENTAGE

A total of 6,216 awards were issued by DRPs concerning requests for emergent relief, standard relief, and fee disputes in both IP and OTP proceedings. Of the awards issued for IP cases (5,537), 65% were in the North region, 19% in the Central region, and 16% in the South region.

An online database of these awards is located at www.nj-no-fault.com.

AWARDS AS A PERCENTAGE OF CLAIM AMOUNT

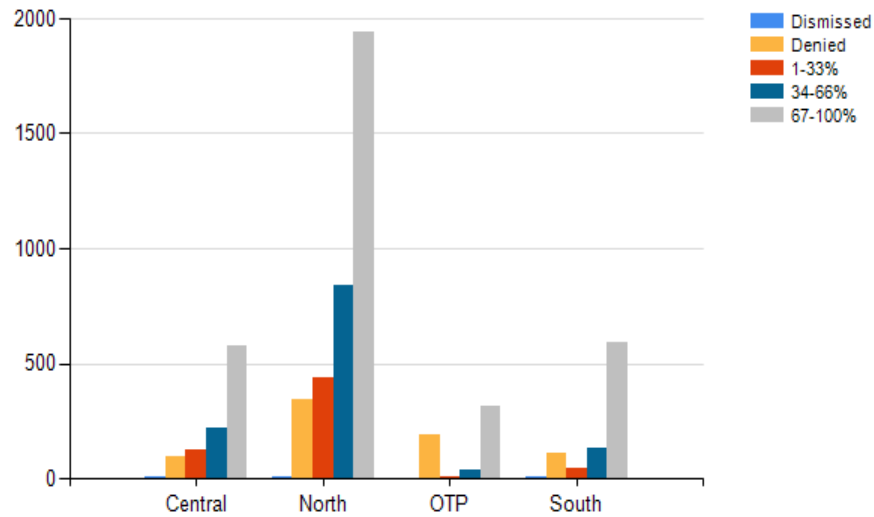
DRPs can deny a claim in its entirety or award all or part of an amount requested by a Claimant. For cases decided in the first quarter of 2016, the table and graph below indicate the distribution of DRP total awarded amounts, from 0% (denied/dismissed) to 100% of claimed amounts. Total awarded amounts include PIP benefits, legal fees, and costs.

For purposes of the data table and chart below, amended amounts are captured within a total amount claimed and then compared to the total amount awarded.

	Dismissed	Denied	1-33%	34-66%	67-100%	Total
IP - Central	8	94	126	219	579	1,026
IP - North	6	344	436	838	1,939	3,563
IP - South	4	111	45	133	592	885
OTP	0*	191	7	40	316	554
Total	18	740	614	1,230	3,426	6,028

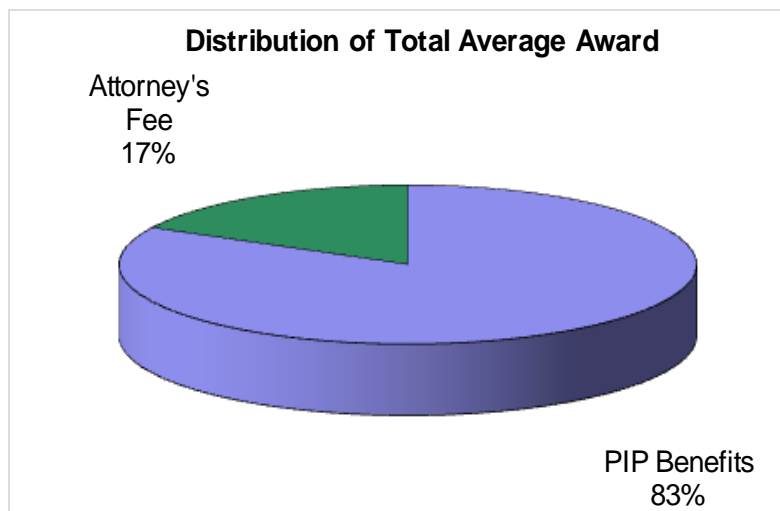
* Not applicable to OTP proceedings

Note: The award data in this section excludes appellate awards.



PIP BENEFITS AND ATTORNEY’S FEES COMPARISON

System-wide, the average amount awarded in arbitration (excluding filing fees) was \$4,814, comprised of \$3,979 for personal injury protection benefits and \$835 for attorney’s fees per case. The graphical representation compares the data as percentages.



AWARD AVERAGE, MEDIAN AND DOLLAR RANGE

The average amount awarded for claims other than attorney’s fees and costs was \$1,297* per case. Awarded amounts ranged from \$0 to \$257,900. The median award during the reporting period was \$1,297. Note that the calculation of the average and median includes cases in which the amount awarded was \$0.

The average amount awarded for attorney’s fees was \$835 per case. Awarded attorney’s fees ranged from \$0 to \$6,330. The median attorney’s fee award during the reporting period was \$1,000. Note that the calculation of the average and median attorney’s fee includes cases in which the amount awarded was \$0.

	Average	Dollar Range	Median
PIP Benefits' Award	\$3,979*	\$0 to \$257,900	\$1,297
Attorney's Fee Award	\$835	\$0 to \$6,330	\$1,000

* Note: It is common practice for users to stipulate that amounts awarded by DRPs are subject to further reduction for policy deductibles, co-payments, prior payments, and/or medical fee schedule adjustments. In such cases, the final amount paid by the Respondent for PIP benefits may be less than the awarded amount.

APPEALS

Seventeen appeals to panels of three DRPs were concluded during the reporting period. Thirteen involved awards or dismissal orders rendered in the North Region, three in the Central Region, and one in the South Region. No OTP awards were appealed. The following table reports the results.

	IP - North	IP - Central	IP- South	OTP	Total
Affirmed	12	3	1	0	16
Vacated & Modified	1	0	0	0	1
TOTALS	13	3	1	0	17

MEDICAL REVIEW ORGANIZATION REPORT

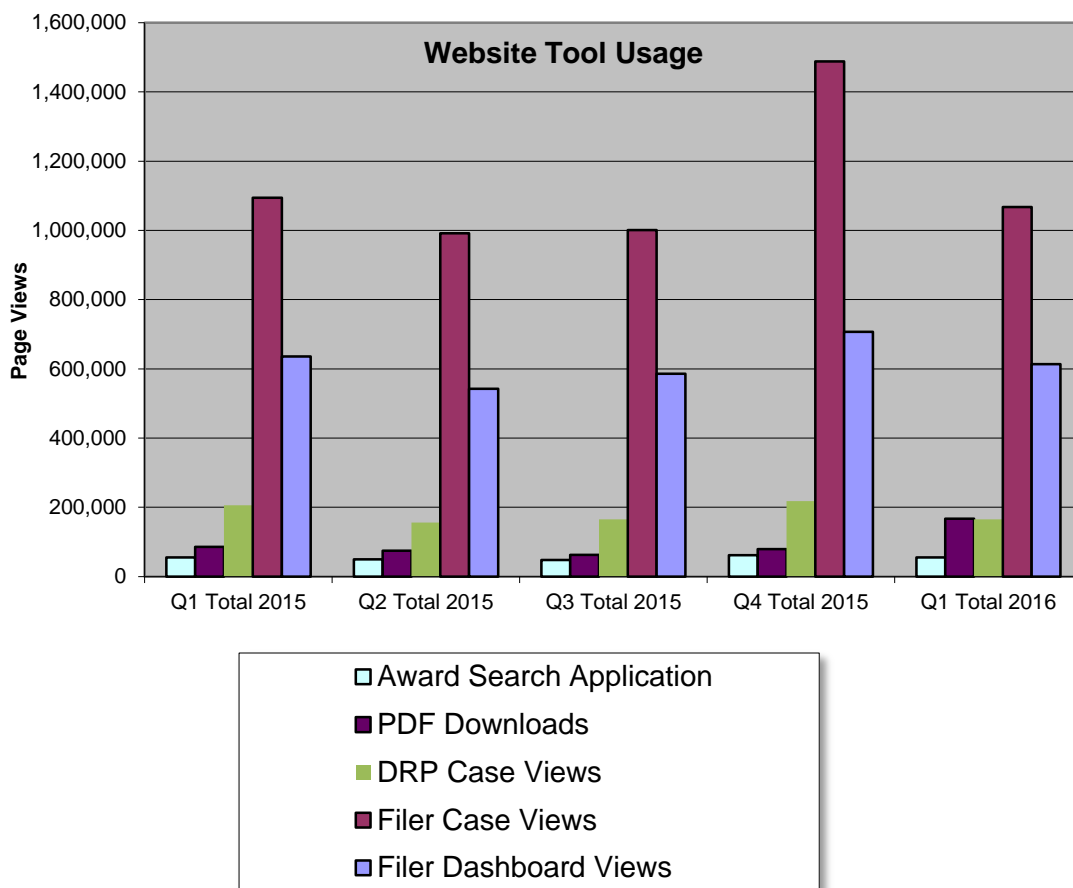
There are currently four Medical Review Organizations (“MRO”) certified by the Department of Banking and Insurance. They are ExamWorks, formerly known as CFO Medical Services, First Managed Care Option (“FMCO”), Support Claim Services (“SCS”), and Rising Medical Solutions. Information relevant to MRO usage is outlined in the table below.

MRO	Request By Party	Request By DRP	Total Requests	Request for Information	Report in 20 Business Days	Report After 20 Business Days
ExamWorks	6	0	6	0	6	0
FMCO	2	0	2	0	2	0
Rising Medical	4	0	4	0	3	1
SCS	3	0	3	0	3	0
TOTALS	15	0	15	0	14	1

Note that MRO requests are reported by case. If a request pertains to consolidated cases, it is counted for each case.

ONLINE CASE MANAGEMENT AND AWARD SEARCHING

This section of the report provides usage data for Forthright’s free web-based case management tools for PIP practitioners located online at www.nj-no-fault.com. Forthright completely redesigned and enhanced the functionality of the user web portals as a free customer service. PIP practitioners now access a “dashboard” from which they can navigate through their case information. They can retrieve and view both parties’ document submissions as well as access rules and forms, file and manage cases online, upload case documents, and search prior decisions. The chart below compares usage for the past five calendar quarters.



APPENDIX A

<u>DRP</u>	<u>Region</u>	<u>IP Assigned</u>	<u>OTP Assigned</u>	<u>IP Settled/ Withdrawn</u>	<u>OTP Settled/ Withdrawn</u>	<u>IP Awarded/ Denied</u>	<u>OTP Awarded/ Denied</u>	<u>In-Person Proceedings</u>
Aloi, Anthony M.	CENTRAL	140	19	92	15	97	12	108
Amendola, Francesca	NORTH	0	0	1	0	7	2	106
Andolino, Michael D.	NORTH	128	35	62	24	94	13	109
Annunziata, Maria	CENTRAL	159	24	100	15	102	6	95
Barry, Martin M.	CENTRAL	179	36	75	23	76	9	109
Campbell, Jennifer M.	NORTH	186	46	55	34	86	15	113
Carnelli, Christopher M.	SOUTH	142	54	59	32	74	12	87
Caserta, Patrick J.	NORTH	125	48	76	31	59	7	121
Cassella, Deborah M.	NORTH	145	44	72	43	96	24	126
Celentano, Cynthia J.	NORTH	155	35	60	26	101	11	128
Croft, Douglas M.	NORTH	178	31	87	24	92	4	128
Damiano, Robert S.	NORTH	141	41	61	22	96	14	108
Daniskas, Maria I.	NORTH	122	47	84	31	80	12	102
Della Badia, Joseph	NORTH	135	29	77	19	68	5	94
DeMarco, Jodi L.	NORTH	187	40	56	31	78	9	98
DeMarco, Joseph	NORTH	149	41	68	32	82	10	142
Ducey, John G.	CENTRAL	166	27	100	13	88	9	101
Eisele-Grabowski, Karen	SOUTH	113	43	68	39	64	21	94
Fabiano, Edward	NORTH	142	31	69	30	92	19	121
Fannan, John J.	CENTRAL	157	24	94	15	90	3	101
Fazio, Cataldo F.	NORTH	149	38	66	35	84	11	93
Finiello, Susanne N.	SOUTH	202	50	118	21	26	0	57
Foley, Patrick W.	CENTRAL	178	17	86	8	89	7	118
Frankland, Suzanne J.	NORTH	159	33	63	21	71	6	96
Ganzhorn, Lisa A.	NORTH	122	43	76	37	97	15	128
Garrabrandt, James H.	NORTH	176	51	85	25	80	9	110
Grabowski, David A.	SOUTH	174	24	80	11	106	6	124
Granato, S. Caroline	SOUTH	117	40	62	38	91	11	118
Hackett, Michael	NORTH	153	41	69	28	73	9	104
Hebron, Sylvia A	NORTH	175	53	96	37	74	13	75
Johnston, Maureen M.	NORTH	154	24	81	14	101	7	126
Kaczka, Thomas M.	NORTH	114	28	59	19	88	5	115
Kaiser, Brian K.	NORTH	155	38	72	33	86	14	126
Karbasian, Carolyn K.	SOUTH	148	32	75	21	108	11	138
Keller, Grant W.	SOUTH	138	40	64	24	103	12	130
Kincade, Kathleen D.	CENTRAL	135	24	67	13	95	4	109
La Salle, Robert C.	NORTH	160	24	64	19	104	18	106
LaPorta Esq., David M.	NORTH	142	43	69	33	67	13	105
LaPorta, Phillip A.	NORTH	133	27	89	22	87	13	77

<u>DRP</u>	<u>Region</u>	<u>IP Assigned</u>	<u>OTP Assigned</u>	<u>IP Settled/ Withdrawn</u>	<u>OTP Settled/ Withdrawn</u>	<u>IP Awarded/ Denied</u>	<u>OTP Awarded/ Denied</u>	<u>In-Person Proceedings</u>
Lesser, Gary T.	NORTH	139	43	71	28	88	13	107
McFadden (LI), Michael K.	SOUTH	12	1	10	0	8	0	9
McFadden, Michael K.	SOUTH	142	26	76	15	72	3	93
Miller, Matthew G.	NORTH	108	38	74	30	88	15	125
Mundy, Lisa D.	NORTH	148	39	62	23	73	6	86
Nardella, George C.	NORTH	170	40	75	38	81	14	122
Noonan, Scott M.	NORTH	178	34	94	31	91	12	127
O'Brien, Matthew J.	NORTH	141	45	69	30	63	13	111
Odell, Barry K.	CENTRAL	151	36	71	16	94	1	102
O'Donnel, Kenneth L.	NORTH	172	23	75	17	102	14	110
Patriaco, Andrew A.	NORTH	158	43	64	31	90	10	130
Pettersen, Nina L.	SOUTH	153	36	68	18	78	11	125
Reis, Karen M.	NORTH	103	45	66	24	89	11	108
Remington-Knodel, Jennifer	NORTH	148	34	58	32	83	5	108
Reynolds, William E.	SOUTH	162	48	67	27	97	17	122
Riva, Joseph J.	NORTH	151	33	85	34	92	20	120
Rivera, Barbara Brosnan	NORTH	162	41	85	31	79	10	94
Sacco, Russ	NORTH	113	48	37	29	71	12	99
Sproviero, Scott G.	NORTH	187	36	75	33	121	8	120
Stampone, Vincenzo	NORTH	120	41	47	28	107	17	124
Stokes, Nanci G.	NORTH	159	42	73	34	100	14	125
Tamburino, Joseph A.	NORTH	106	26	66	29	91	15	124
Tarrant, Tara D.	NORTH	129	43	67	24	85	9	137
Voorhees, Gregory X.	CENTRAL	138	35	105	23	86	7	90
Wallen (NO), Kate R.	SOUTH	5	0	2	0	0	0	0
Wallen, Kate R.	SOUTH	139	29	67	9	89	8	113
Zimmerman, Richard T.	NORTH	144	35	69	21	71	9	98
Total		9554	2334	4723	1644	5539	679	7183

Contact us

Forthright

285 Davidson Avenue, Suite 502

Somerset, NJ 08873

732.271.6100

www.nj-no-fault.com



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