



QUARTERLY REPORT TO
THE NEW JERSEY DEPARTMENT
OF BANKING & INSURANCE

*No Fault Insurance PIP Arbitration
1st Quarter, 2008*

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Executive Summary

The National Arbitration Forum (“FORUM”) is pleased to administer the New Jersey No-Fault personal injury protection (“PIP”) dispute resolution program and encourages all PIP stakeholders to provide recommendations for future program improvements. The FORUM thanks the volunteers who serve on the No-Fault Advisory Council for their dedication and valuable advice.

Stakeholders’ usage of the FORUM’s free No-Fault website increased over the prior quarter. Over 730,000 page views were recorded during the quarter. This report includes a comparison of usage for the last four (4) calendar quarters.

For the quarter, the Dispute Resolution Professional (“DRP”) panel was increased from 43 to 44. The DRPs were regionally deployed as follows: 28 in the North; 8 in the Central with full caseloads and 1 with a reduced caseload; and 7 in the South.

In the 1st quarter of 2008, 12,119 cases were initiated in the PIP ADR program. Of these cases, 8,253 (68%) originated in the Northern region, 2,448 (20%) in the Central region, and 1,418 (12%) in the Southern region.

Of the pending cases filed with the FORUM in the PIP ADR program, 10,610 cases were concluded during the 1st quarter by means of an award or denial of award (including appeals), pre-hearing dismissal of the case, settlement or withdrawal. 271 cases were placed in abeyance by consent of the parties or by order of the court. Exactly 8,550 cases were assigned to DRPs.

During the 1st quarter, 2,435 cases settled during the conciliation period distributed regionally as follows: 1,654 in the North region, 531 in the Central region and 250 in the South region.

System-wide, the average total amount awarded in arbitration was \$5,050 comprised of \$3,912 for personal injury protection benefits and \$1,138 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 is less than the awarded amount.

Twenty-one (21) appeals to panels of 3 DRPs were concluded during the reporting period. Eleven (11) involved awards rendered in the North Region, five (5) involved awards rendered in the Central Region, and five (5) involved awards rendered in the South Region. Twenty-nine (29%) percent of appeals resulted in some form of modification, vacation or remand.

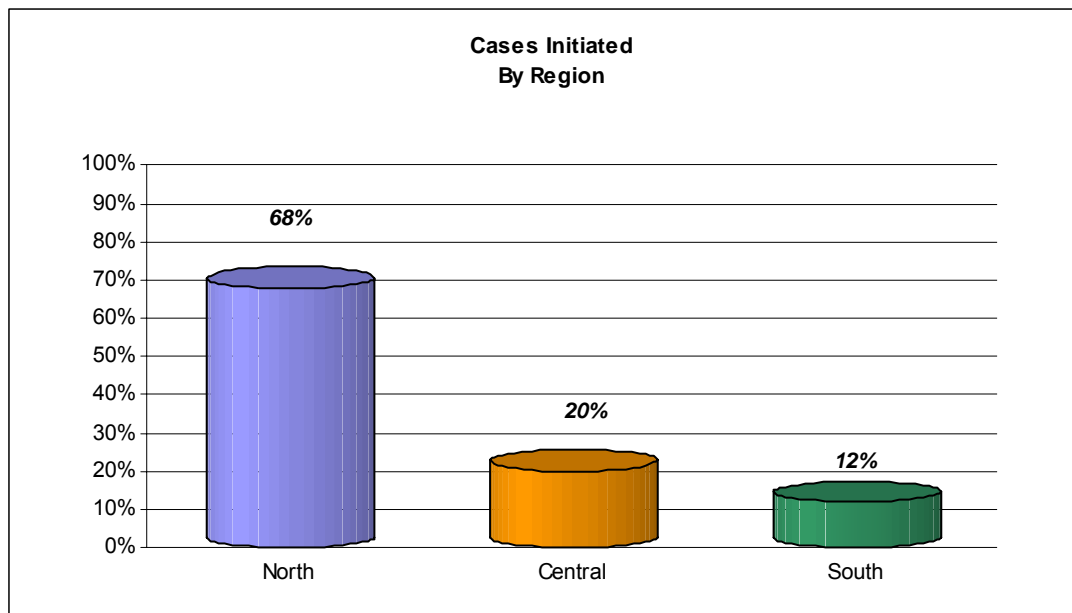
During the reporting period, parties requested 96 Medical Review Organization (MRO) reviews. The requests were apportioned among the three current MROs on a random rotating basis. No DRP requests were made.

Cases Initiated

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

In the 1st quarter of 2008, 12,119 cases were initiated in the PIP ADR program. Of these cases, 8,253 (68%) originated in the Northern region, 2,448 (20%) in the Central region, and 1,418 (12%) in the Southern region. See the Table below for the monthly distribution.

	North	Central	South	Total
January	2,790	819	408	4,017
February	2,558	743	425	3,726
March	2,905	886	585	4,376
Region Total	8,253	2,448	1,418	12,119
Region Percent	68%	20%	12%	100%



Disposition of Cases in the PIP ADR Program

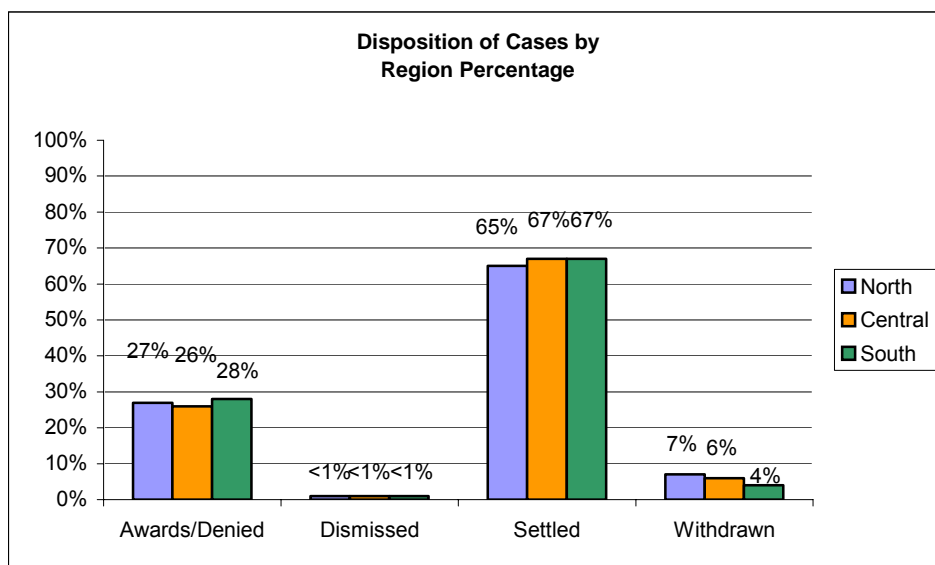
Of the pending cases filed with the FORUM in the PIP ADR program, 10,610 cases were concluded during the 1st quarter by means of an award or denial of award (including appeals), pre-hearing dismissal of the case, settlement or withdrawal. The table below illustrates the manner in which cases were administered and concluded in the various geographic regions.

Disposition Type	North	Central	South	Total
Awarded/Denied	1,871	568	420	2,859
Dismissed Pre-hearing	11	2	1	14
Settled	4,574	1,473	999	7,046
Withdrawn	490	134	67	691
Total	6,946	2,177	1,487	10,610

Disposition of Cases by Region Percentage

The table and chart below present the regional disposition of cases as percentages of all case dispositions during the reporting period.

Disposition Type	North	Central	South
Awarded/Denied	27%	26%	28%
Dismissed Pre-hearing	<1%	<1%	<1%
Settled	65%	67%	67%
Withdrawn	7%	6%	4%
	100%	100%	100%



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 by regional distribution and percentage.

Geographic Regions	North	Central	South	Total
Region Total	223	34	14	271
Region Percent	82%	13%	5%	100%

Cases Settled Within 45 Days of Initiation

Respondents are granted a conciliation period of 45 days from case initiation in which to settle claims without incurring a respondent administration fee. During the 1st quarter, 2,435 cases settled during the conciliation period distributed regionally as follows: 1,654 in the North region, 531 in the Central region and 250 in the South region.

The following table illustrates that 8% to 11% of cases settled during the reconciliation period.

Geographic Regions	North	Central	South	System-wide
Region Settlements	1,654	531	250	2,435
Region Percent	10%	11%	8%	10%

*Note: This data is based upon user communications describing cases as settled or resolved. There may be cases communicated as “withdrawn” which were settled and would qualify for this category.

Dispute Resolution Professional Caseload

For the quarter, the DRP panel was increased from 43 to 44. The DRPs were regionally deployed as follows: 28 in the North; 8 in the Central with full caseloads and 1 with a reduced caseload; 7 in the South.

Caseload activity of DRPs is represented in Appendix A.

Disposition of Cases After DRP Assignment

Following expiration of the 45-day conciliation period, cases are assigned to DRPs for disposition. After DRP appointment, a total of 7,915 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 1st quarter of 2008 after the cases were assigned to the DRP for hearing:

Disposition	North	Central	South	Total	System-Wide Percentage
Awarded/Denied	1,871	568	420	2,859	36%
Consent Award	1	0	0	1	0%
Dismissed by DRP	11	2	1	14	<1%
Settled	2,877	926	747	4,550	57%
Withdrawn	345	99	47	491	6%
Total	5,105	1,595	1,215	7,915	100%

Regional Awards' Percentage

As shown above, a total of 2,860 awards were issued by DRPs concerning requests for expedited relief, standard relief, fee disputes and appeals. 65% of the awards issued in the North region, 20% in the Central region and 15% in the South.

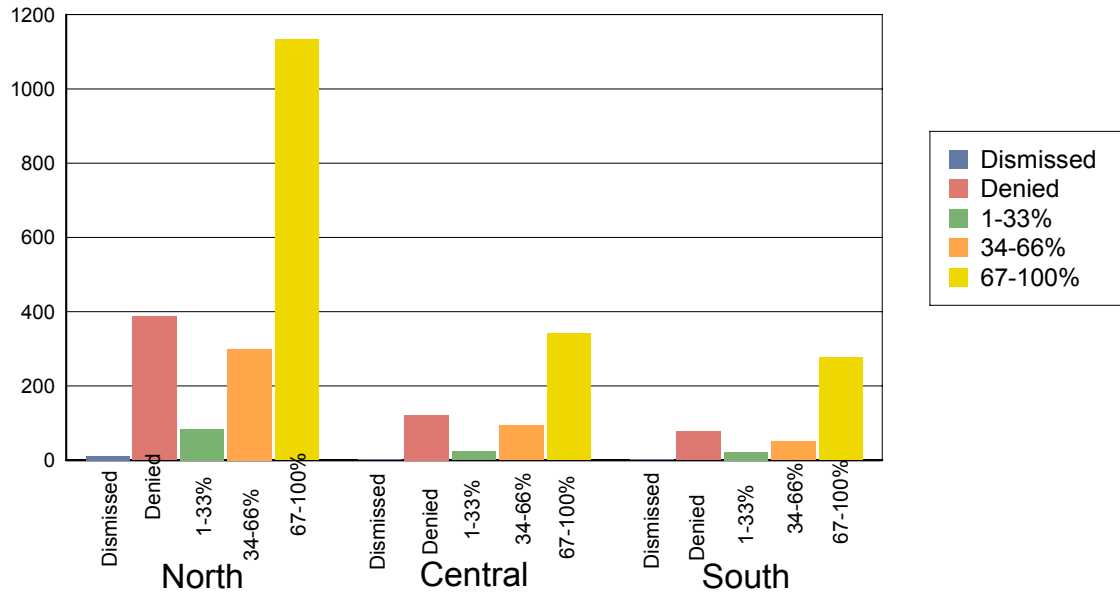
An online database of these awards is located at www.nj-no-fault.com.

Awards as a Percentage of Claim Amount

Dispute Resolution Professionals can deny a claim in its entirety or can award all or part of an amount requested by a Claimant. For cases decided in the 1st quarter of 2008, the graph below indicates the distribution of DRP awarded amounts, from 0% (denied/dismissed) to 100% of claimed amounts.

The data presentation for 2006 and thereafter was revised from previous years in that it no longer contains award data described as "more than 100%", representing claims amended upward at the time of hearing. This nomenclature was retained from reports provided to the Department by the prior administrator. However, the nomenclature is imprecise. DRPs may not award amounts greater than those claimed. 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.

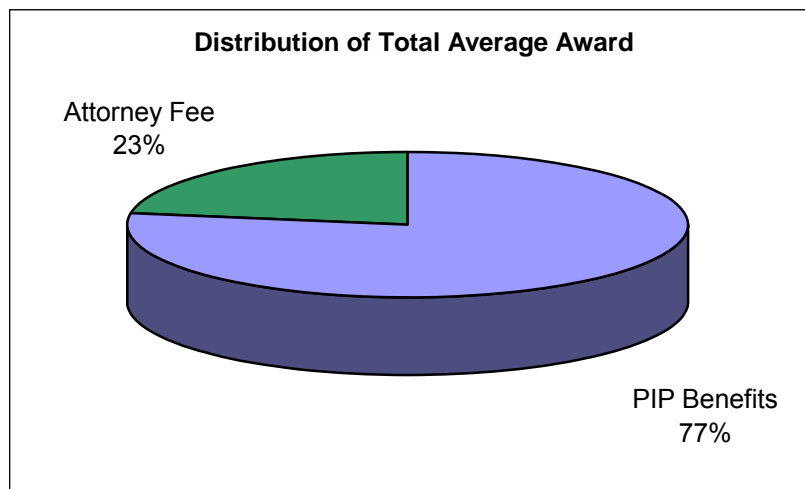
Region	Dismissed	Denied	1-33%	34-66%	67-100%	Total
North	11	387	84	299	1,133	1,914
Central	2	121	24	93	341	581
South	1	77	22	50	277	427
Total	14	585	130	442	1,751	2,922



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

PIP Benefits and Attorney's Fees Comparison

System-wide, the average total amount awarded in arbitration was \$5,050 comprised of \$3,912 for personal injury protection benefits and \$1,138 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 was \$3,912.* per case. Awarded amounts ranged from \$0 to \$283,991. The median award during the reporting period was \$1,145.

The average amount awarded for attorney's fees was \$1,138 per case. Awarded attorney's fees ranged from \$0 to \$9,500. The median attorney's fees award during the reporting period was \$1,200.

	Average	Dollar Range	Median
PIP Benefits' Award	*\$3,912	\$0 to \$283,991	\$1,145
Attorney's Fees Award	\$1,138	\$0 to \$9,500	\$1,200

*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 is less than the awarded amount.

Appeals

Twenty-one (21) appeals to panels of 3 DRPs were concluded during the reporting period. Eleven (11) involved awards rendered in the North Region, five (5) involved awards rendered in the Central Region, and five (5) involved awards rendered in the South Region. Twenty-nine (29%) percent of appeals resulted in some form of modification, vacation or remand. The following table reports the results.

	North	Central	South	Total
Affirmed	7	3	3	13
Modified	0	1	0	1
Vacated	2	0	0	2
Vacated & Remanded	1	0	2	3
Settled Pending	1	1	0	2

Appeal				
TOTALS	11	5	5	21

Medical Review Organization Report

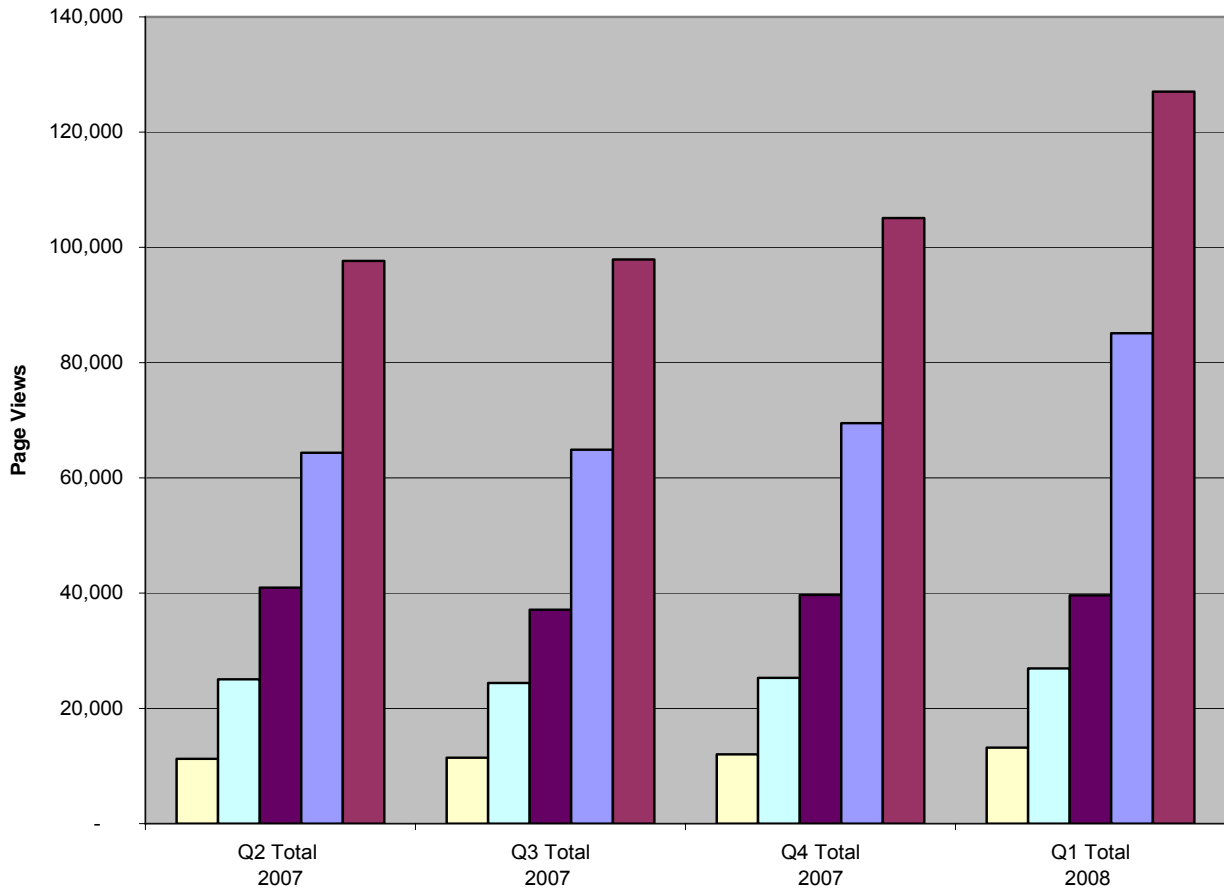
There are currently three Medical Review Organizations certified by the Department of Banking and Insurance. They are First Managed Care Option ("FMCO"), CFO Medical Services ("CFO") and Support Claim Services ("SCS"). Information relevant to MRO usage is outlined in the table.

MRO	Request By Party	Request By DRP	Total Requests	Request for Information	Report in 20 Business Days	Report After 20 Business Days
CFO	30	0	30	0	11	0
FMCO	26	0	26	0	8	1
SCS	40	0	40	0	6	0
TOTALS	96	0	96	0	25	1

Online Case Management and Award Searching

This section of the report provides usage data for the FORUM's free web-based case management tools for PIP practitioners. At the inception of the No-Fault Dispute Resolution Program, FORUM launched a website at www.nj-no-fault.com as a free customer service. It enables PIP practitioners to access rules and forms, file and manage their cases online, upload cases documents and search prior decisions. The chart below compares usage for the past four calendar quarters.

Website Tool Usage



2008 Q1 Highlights

- NJ PIP website had 734,430 total page views (PVs) in Q1 '08, which increased 15% from Q4 '07.
- Filer case management application had 127,057 PVs in Q1 '08; up 21% from Q4 '07.
- Filer document upload application had 23,968 PVs in Q1 '08;
- Award search application had 26,908 PVs in Q1 '08; with an increase of 6% from Q4 '07.
- 39,655 PDFs were accessed in Q1 '08.

- Filer Doc Upload Application
- Award Search Application
- PDF Downloads
- Filer Sign-In Portal
- Filer Case Mgmt Application

Appendix A

DRP	Region	Assigned	Closed	Awarded/Denied	Hearings
Aloi, Anthony M.	CENTRAL	179	219	92	114
Alterman, Herbert S.	NORTH	213	187	61	120
Amendola, Esq., Francesca	NORTH	230	192	78	124
Andolino, Michael D.	CENTRAL	175	203	56	71
Annunziata, Maria	CENTRAL	181	189	72	104
Brodow, Nora J.	NORTH	206	198	70	115
Carr, Michael W.	NORTH	203	173	76	108
Carro, Sergio G.	NORTH	221	178	73	127
Celentano, Cynthia J.	NORTH	208	180	75	84
Daniskas, Maria I.	NORTH	209	184	70	91
de Cordova, Donald W.	NORTH	233	213	65	110
DeMarco, Joseph	NORTH	212	151	66	108
DeMichele, Richard A	SOUTH	133	184	54	100
Eisele-Grabowski, Karen	SOUTH	137	191	74	103
Fabiano, Edward	NORTH	242	224	85	94
Fannan, John J.	CENTRAL	195	197	64	94
Foley, Patrick W.	CENTRAL	185	177	57	95
Ganzhorn, Lisa A.	NORTH	211	175	59	99
Garrabrandt, James H.	NORTH	202	198	52	86
Grabowski (ML), David A.	SOUTH	131	200	62	98
Granato, S. Caroline	SOUTH	137	209	83	130
Hackett, Michael	NORTH	197	135	36	83
Johnston, Maureen M.	NORTH	212	191	67	111
Kaczka, Thomas M.	NORTH	207	193	69	121
Kincade, Kathleen D.	CENTRAL	177	165	60	94
Knuetter, Margaret	NORTH	208	210	80	99
La Salle (North), Robert C.	NORTH	227	193	67	98
LaPorta, David M.	NORTH	229	192	71	114
Lardiere, Andrea L	CENTRAL	201	192	82	127
Lesser, Gary T.	NORTH	229	178	69	109
Lynch, Charles H.	NORTH	208	191	71	122
McFadden (CH), Michael K.	SOUTH	117	162	58	95
McFadden (NO), Michael K.	SOUTH	15	15	6	12
Miller, Matthew G.	NORTH	203	161	53	77
Noonan, Scott M.	NORTH	205	186	77	117
Odell, Barry K.	CENTRAL	93	101	27	42
Patriaco, Andrew A.	NORTH	232	203	63	92
Perillo, Christopher J	SOUTH	232	59	7	8
Remington-Knodel, Jennifer	NORTH	203	156	69	116
Sacco, Russ	CENTRAL	181	176	73	90
Sproviero, Scott G.	NORTH	153	193	83	121
Stokes, Nanci G.	NORTH	228	199	74	104
Tamburino, Joseph A.	NORTH	213	202	75	134
Wallen (AC), Kate R.	SOUTH	15	31	19	22
Wallen (CH), Kate R.	SOUTH	112	178	65	77
Zimmerman, Richard T.	NORTH	210	169	50	80
Total		8,550	8,053	2,915	4,440



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