



QUARTERLY REPORT TO
THE NEW JERSEY DEPARTMENT
OF BANKING & INSURANCE

*No Fault Insurance PIP Arbitration
1st Quarter, 2010*

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Executive Summary

In the 1st quarter of 2010, 14,630 cases were initiated in the PIP ADR program. Of these cases, 10,281 (70%) originated in the Northern region, 2,128 (15%) in the Central region, and 2,221 (15%) in the Southern region.

Of the pending cases filed with the FORUM in the PIP ADR program, 13,011 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. There were 152 cases placed in abeyance by consent of the parties or by order of the court. There were 10,851 cases assigned to DRPs.

During the 1st quarter, 2,841 cases settled during the conciliation period distributed regionally as follows: 1,803 in the North region; 563 in the Central region; 475 in the South region. 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 There are likely cases that the parties communicated as “withdrawn” or otherwise concluded which were actually settled and would qualify for this category.

System-wide, the average amount awarded in arbitration was \$6,008 comprised of \$4,854 for personal injury protection benefits and \$1,154 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.

Fourteen (14) appeals to panels of 3 DRPs were concluded during the reporting period. Nine (9) involved awards rendered in the North Region, five (5) in the Central Region and none in the South Region. Forty-three (43%) percent of appeals resulted in some form of modification, vacation, or remand. The following table reports the results.

During the reporting period, parties requested 239 Medical Review Organization (MRO) reviews. DRPs did not request any reviews. The requests were apportioned among the three current MROs on a random rotating basis.

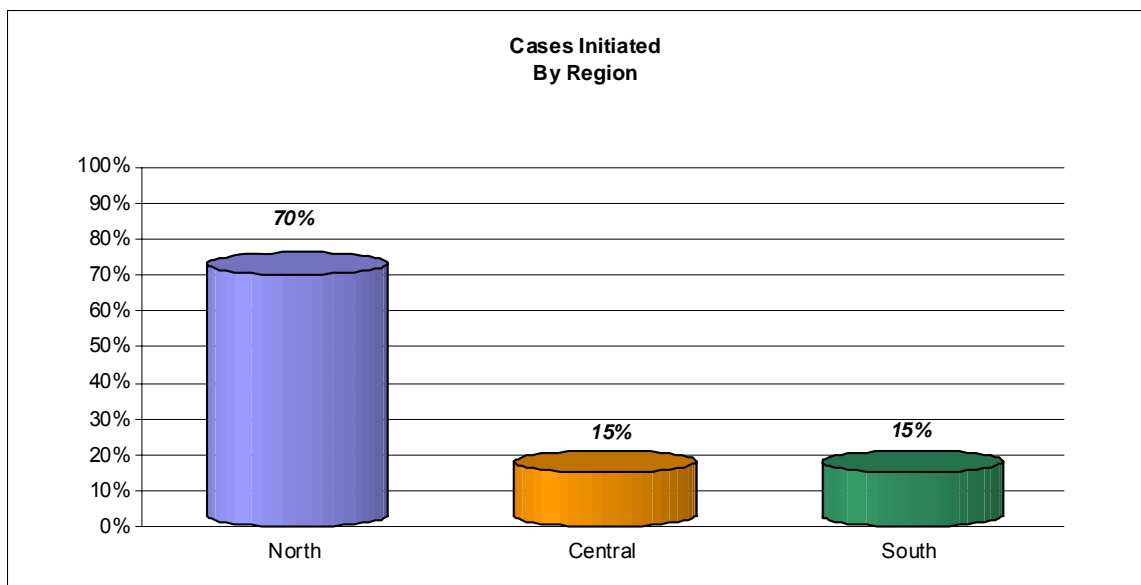
The Panel of Dispute Resolution Professionals (DRPs) consisted of 46 members. The DRPs were regionally deployed as follows: 31 in the North; 8 in the Central with full caseloads and 1 with a reduced caseload; 6 in the South.

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 2010, 14,630 cases were initiated in the PIP ADR program. Of these cases, 10,281 (70%) originated in the Northern region, 2,128 (15%) in the Central region, and 2,221 (15%) in the Southern region. See the table below for the monthly distribution.

	North	Central	South	Total
January	2,969	636	642	4,247
February	3,115	505	707	4,327
March	4,197	987	872	6,056
Region Total	10,281	2,128	2,221	14,630
Region Percent	70%	15%	15%	100%



Disposition of Cases in the PIP ADR Program

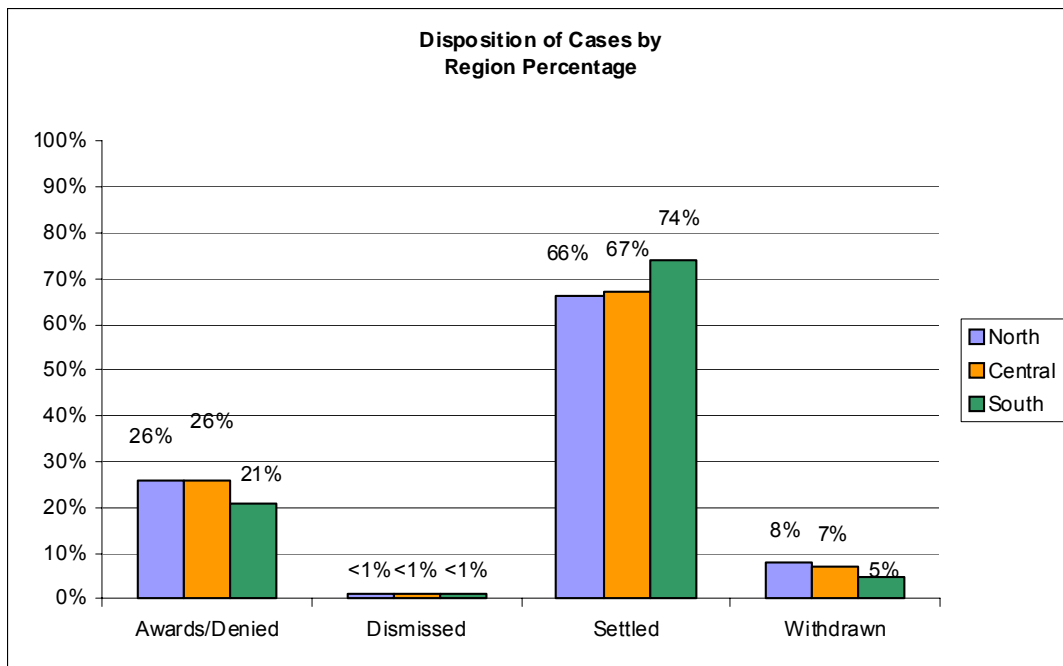
Of the pending cases filed with the FORUM in the PIP ADR program, 13,010 cases were concluded during the 1st quarter by means of an award or denial of award (including appeals), pre-hearing dismissal of the case, settlement or withdrawal. The table below illustrates the manner in which cases were administered and concluded in the various geographic regions.

Disposition Type	North	Central	South	Total
Awarded/Denied	2,260	592	403	3,255
Dismissed Pre-Hearing	12	4	0	16
Settled	5,843	1,555	1,402	8,800
Withdrawn	678	164	97	939
Total	8,793	2,315	1,902	13,010

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	26%	26%	21%
Dismissed Pre-Hearing	<1%	<1%	<1%
Settled	66%	67%	74%
Withdrawn	8%	7%	5%
Total	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	113	33	6	152
Region Percent	74%	22%	4%	100%

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. During the 1st quarter, 2,841 cases settled during the conciliation period distributed regionally as follows: 1,803 in the North region; 563 in the Central region; 475 in the South region.

The following table expresses the regional distribution in numbers and percentages.

Geographic Regions	North	Central	South	System-Wide
Region Settlements	1,803	563	475	2,841
Region Percent	8%	11%	10%	9%

*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

For the quarter, the DRP panel consisted of 46 members. The DRPs were regionally deployed as follows: 31 in the North; 8 in the Central with full caseloads and 1 with a reduced caseload; 6 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 9,916 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 2010 after the cases were assigned to the DRP for hearing.

Disposition	North	Central	South	Total	System-Wide Percentage
Awarded/Denied	2,260	592	403	3,255	33%
Dismissed by DRP	12	4	0	16	<1%
Settled	3,996	974	919	5,889	59%
Withdrawn	542	140	74	756	8%
Total	6,810	1,710	1,396	9,916	100%

Regional Awards' Percentage

As shown above, a total of 3,255 awards were issued by DRPs concerning requests for expedited relief, standard relief, fee disputes, and appeals. Of the awards issued, 69% were in the North region, 18% in the Central region, and 12% in the South.

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

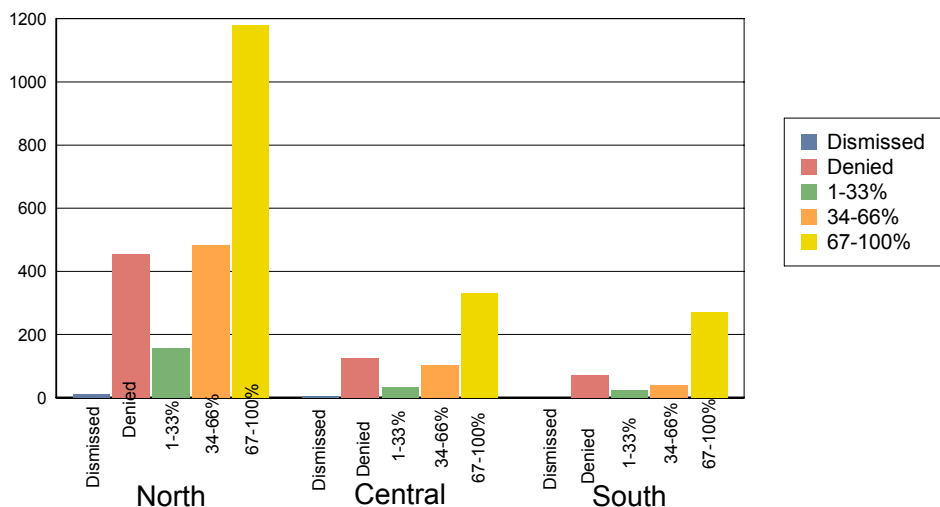
Awards as a Percentage of Claim Amount

DRPs can deny a claim in its entirety or can award all or part of an amount requested by a Claimant. For cases decided in the 1st quarter of 2010, the graph below indicates the distribution of DRP awarded amounts, from 0% (denied/dismissed) to 100% of claimed amounts.

*Note: 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.

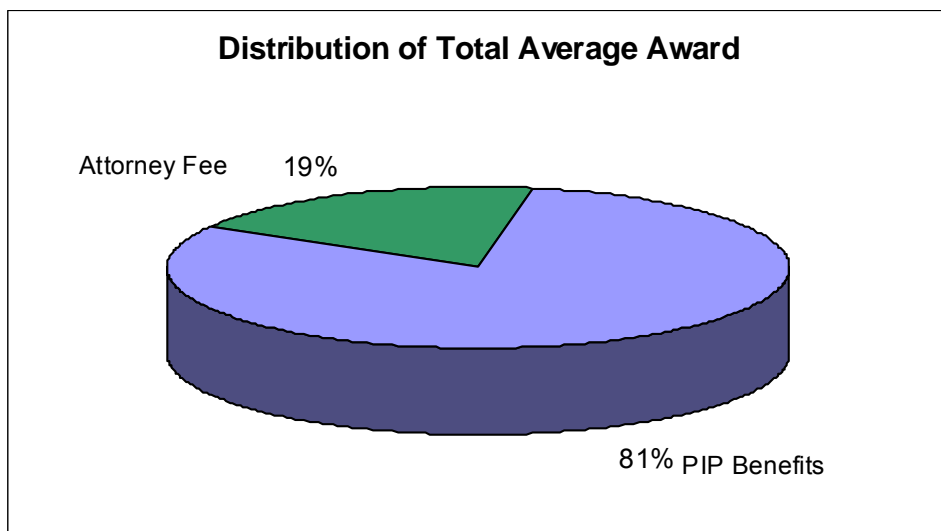
Region	Dismissed	Denied	1-33%	34-66%	67-100%	Total
North	12	456	156	484	1,181	2,289
Central	4	126	35	102	332	599
South	0	71	23	41	271	406
Total	16	653	214	627	1,784	3,294



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

PIP Benefits and Attorney’s Fees Comparison

System-wide, the average amount awarded in arbitration was \$6,008 comprised of \$4,854 for personal injury protection benefits and \$1,154 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 \$4,854* per case. Awarded amounts ranged from \$0 to \$210,481. The median award during the reporting period was \$1,227.

The average amount awarded for attorney’s fees was \$1,154 per case. Awarded attorney’s fees ranged from \$0 to \$8,050. The median attorney’s fee award during the reporting period was \$1,200.

	Average	Dollar Range	Median
PIP Benefits’ Award	\$4,854*	\$0 to \$210,481	\$1,227
Attorney’s Fee Award	\$1,154	\$0 to \$8,050	\$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

Fourteen (14) appeals to panels of 3 DRPs were concluded during the reporting period. Nine (9) involved awards rendered in the North Region, five (5) in the Central Region and none in the South Region. Forty-three (43%) percent of appeals resulted in some form of modification, vacation, or remand. The following table reports the results.

	North	Central	South	Total
Affirmed	4	4	0	8
Modified	2	1	0	3
Vacated	1	0	0	1
Vacated & Remanded	2	0	0	2
TOTALS	9	5	0	14

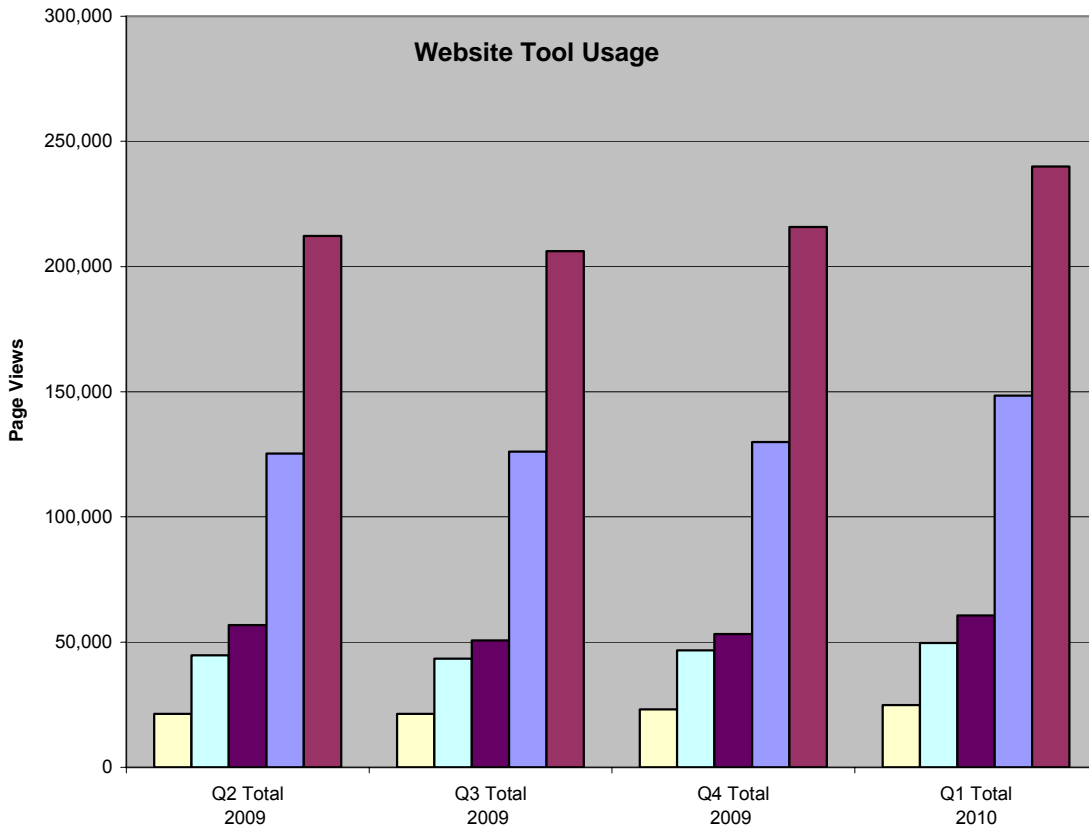
Medical Review Organization Report

There are currently three Medical Review Organizations certified by the Department of Banking and Insurance. They are CFO Medical Services (“CFO”), First Managed Care Option (“FMCO”), 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	82	0	82	0	38	0
FMCO	78	0	78	0	28	8
SCS	79	0	79	0	24	1
TOTALS	239	0	239	0	90	9

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, the 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.



2010 Q1 Highlights

- Total visits has continued to increase. A total of 221,499 visits's in Q1 '10, has increased 12.4% from Q4 '09.
- In Q1 '10 61,629 Pageviews were accessed for the NJ Homepage; with an increase of 12.6% from Q4 '09.
- Total Attorney Case Visits has gone up 13.5% from Q4 '09.
- In Q1 '10 39,728 Visits were accessed for the Standard Content of our site; with an increase of 13.0% from Q4 '09.

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

Appendix A

DRP	Region	Assigned	Closed	Award/Denied	Hearings
Aloi, Anthony M.	CENTRAL	168	209	53	63
Andolino, Michael D.	CENTRAL	167	221	83	116
Annunziata, Maria	CENTRAL	170	208	82	116
Fannan, John J.	CENTRAL	166	208	61	94
Foley, Patrick W.	CENTRAL	169	170	59	100
Kincade, Kathleen D.	CENTRAL	169	206	77	118
Lardiere, Andrea L.	CENTRAL	169	197	57	97
Odell, Barry K.	CENTRAL	85	103	37	53
Sacco, Russ	CENTRAL	172	187	79	113
Amendola, Francesca	NORTH	254	224	78	133
Brodow, Nora J.	NORTH	253	242	79	118
Carro, Sergio G.	NORTH	252	240	92	147
Caserta, Patrick J.	NORTH	249	6	0	0
Cassella, Deborah M.	NORTH	252	222	83	86
Celentano, Cynthia J.	NORTH	253	231	85	94
Damiano, Robert S.	NORTH	263	186	49	87
Daniskas, Maria I.	NORTH	266	256	75	132
de Cordova, Donald W.	NORTH	252	206	72	128
DeMarco, Joseph	NORTH	251	216	86	129
Fabiano, Edward	NORTH	256	220	80	93
Fazio, Cataldo F.	NORTH	256	195	73	126
Ganzhorn, Lisa A.	NORTH	255	211	75	137
Garrabrandt, James H.	NORTH	254	222	64	126
Hackett, Michael	NORTH	254	197	60	104
Johnston, Maureen M.	NORTH	253	232	74	145
Kaczka, Thomas M.	NORTH	254	243	80	137
Knuetter, Margaret	NORTH	248	204	81	112
La Salle (North), Robert	NORTH	245	254	89	117
LaPorta, David M.	NORTH	262	234	83	130
LaPorta, Phillip A.	NORTH	251	214	74	119
Lesser, Gary T.	NORTH	273	253	85	128
Lynch, Charles H.	NORTH	254	225	63	113
Miller, Matthew G.	NORTH	256	211	67	94
Noonan, Scott M.	NORTH	253	223	73	110
Patriaco, Andrew A.	NORTH	256	237	82	128
Remington-Knodel, Jennifer	NORTH	257	230	65	112
Sproviero, Scott G.	NORTH	254	238	69	128
Stokes, Nanci G.	NORTH	251	235	79	106
Tamburino, Joseph A.	NORTH	261	247	80	117
Zimmerman, Richard T.	NORTH	257	233	64	98
DeMichele, Richard A	SOUTH	250	216	62	116
Eisele-Grabowski, Karen	SOUTH	252	239	68	112
Grabowski (ML), David A.	SOUTH	248	252	62	115
Granato, S. Caroline	SOUTH	253	234	77	129
McFadden (CH), Michael	SOUTH	238	203	45	72
McFadden (NO), Michael	SOUTH	20	15	4	7
Wallen (AC), Kate R.	SOUTH	16	12	6	6
Wallen (CH), Kate R.	SOUTH	234	245	85	95
Total		10851	9912	3256	5056



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