



QUARTERLY REPORT TO
THE NEW JERSEY DEPARTMENT
OF BANKING & INSURANCE

*No Fault Insurance PIP Arbitration
2nd Quarter, 2010*

Table of Contents

Executive Summary	3
Cases Initiated	4
Disposition of Cases in the PIP ADR Program.....	5
Disposition of Cases by Region Percentage.....	5
Cases in Abeyance	6
Cases Settled within 45 Days of Initiation.....	6
Dispute Resolution Professional Caseload.....	7
Disposition of Cases after DRP Assignment.....	7
Regional Awards' Percentage	7
Awards as a Percentage of Claim Amount.....	7
PIP Benefits and Attorney's Fees Comparison	8
Award Average, Median, and Dollar Range.....	9
Appeals	9
Medical Review Organization Report.....	10
Online Case Management and Award Searching	10
Appendix A.....	12

Executive Summary

In the 2nd quarter of 2010, 15,606 cases were initiated in the PIP ADR program. Of these cases, 11,075 (71%) originated in the Northern region, 2,199 (14%) in the Central region, and 2,332 (15%) in the Southern region.

Of the pending cases filed with the FORUM in the PIP ADR program, 13,214 cases were concluded during the 2nd quarter by means of an award or denial of award (including appeals), pre-hearing dismissal of the case, settlement or withdrawal. There were 228 cases placed in abeyance by consent of the parties or by order of the court. There were 13,539 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 There are likely cases that the parties communicated as “withdrawn” or otherwise concluded which were actually settled and would qualify for this category.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.

Eighteen (18) appeals to panels of 3 DRPs were concluded during the reporting period. Thirteen (13) involved awards rendered in the North Region, three (3) in the Central Region and two (2) in the South Region. Twenty-eight (28%) percent of appeals resulted in some form of modification, vacation, or remand.

During the reporting period, parties requested 231 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.

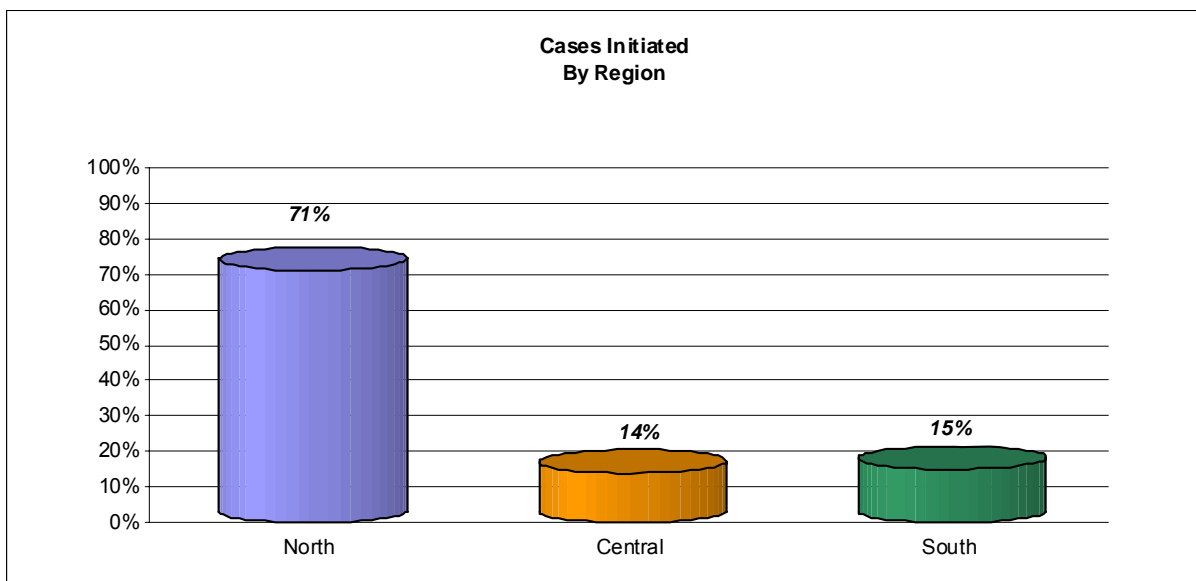
The Panel of Dispute Resolution Professionals (DRPs) consisted of 47 members. The DRPs were regionally deployed as follows: 32 in the North; 8 in the Central with full caseloads and 1 with a reduced caseload; 6 in the South.

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 2nd quarter of 2010, 15,606 cases were initiated in the PIP ADR program. Of these cases, 11,075 (71%) originated in the Northern region, 2,199 (14%) in the Central region, and 2,332 (15%) in the Southern region. See the table below for the monthly distribution.

	North	Central	South	Total
April	3,948	802	832	5,582
May	3,341	771	746	4,858
June	3,786	626	754	5,166
Region Total	11,075	2,199	2,332	15,606
Region Percent	71%	14%	15%	100%



The table below provides a view of initiations for the first half of 2010 by quarterly and regional distribution.

	North	Central	South	Total
1st Quarter 2010	10,281	2,128	2,221	14,630
2 nd Quarter 2010	11,075	2,199	2,332	15,606
Totals	21,356	4,327	4,553	30,236

Disposition of Cases in the PIP ADR Program

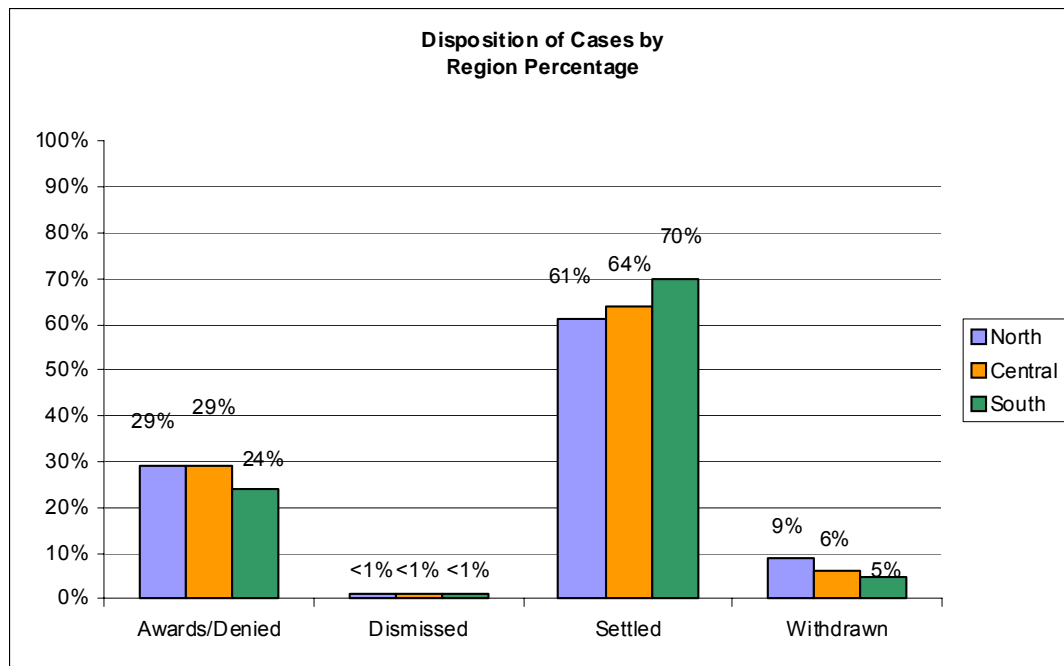
Of the pending cases filed with the FORUM in the PIP ADR program, 13,214 cases were concluded during the 2nd quarter by means of an award or denial of award (including appeals), pre-hearing dismissal of the case, settlement or withdrawal. The table below illustrates the manner in which cases were administered and concluded in the various geographic regions.

Disposition Type	North	Central	South	Total
Awarded/Denied	2,661	646	488	3,795
Dismissed Pre-Hearing	32	2	0	34
Settled	5,466	1,400	1,412	8,278
Withdrawn	842	147	118	1,107
Total	9,001	2,195	2,018	13,214

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	29%	29%	24%
Dismissed Pre-Hearing	<1%	<1%	<1%
Settled	61%	64%	70%
Withdrawn	9%	6%	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	173	50	5	228
Region Percent	76%	22%	2%	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 2nd quarter, 2,836 cases settled during the conciliation period distributed regionally as follows: 1,765 in the North region; 569 in the Central region; 502 in the South region.

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

Geographic Regions	North	Central	South	System-Wide
Region Settlements	1,765	569	502	2,836
Region Percent	8%	12%	12%	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 47 members. The DRPs were regionally deployed as follows: 32 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 9,987 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 2nd quarter of 2010 after the cases were assigned to the DRP for hearing.

Disposition	North	Central	South	Total	System-Wide Percentage
Awarded/Denied	2,661	646	488	3,795	37%
Dismissed by DRP	32	2	0	34	<1%
Settled	3,638	810	898	5,346	53%
Withdrawn	662	108	92	862	9%
Total	6,993	1,566	1,478	10,037	100%

Regional Awards' Percentage

As shown above, a total of 3,795 awards were issued by DRPs concerning requests for expedited relief, standard relief, fee disputes, and appeals. Of the awards issued, 70% were in the North region, 17% in the Central region, and 13% in the South.

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

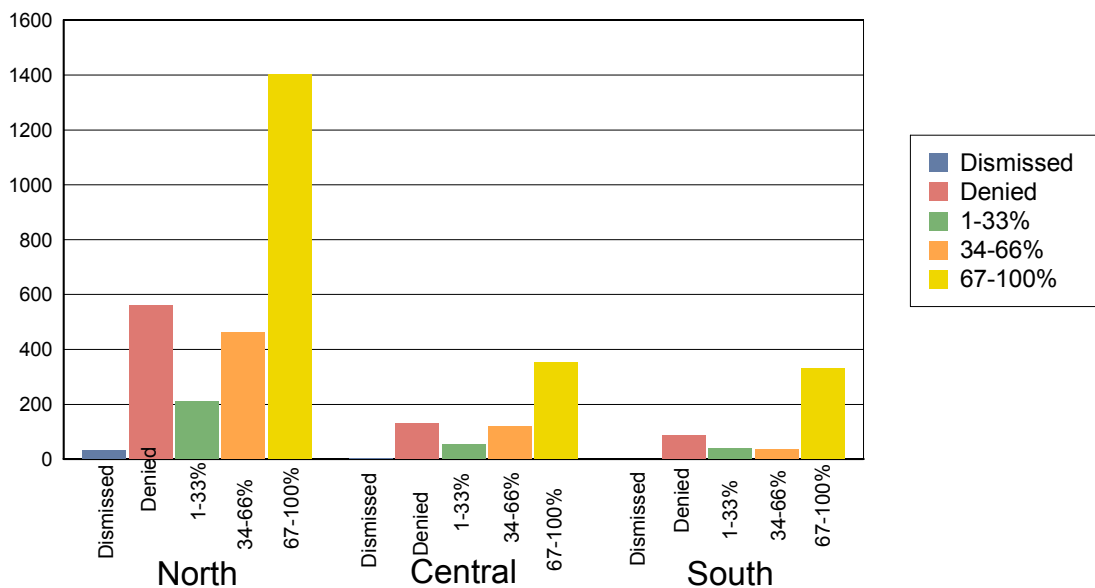
Awards as a Percentage of Claim Amount

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 2nd 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.

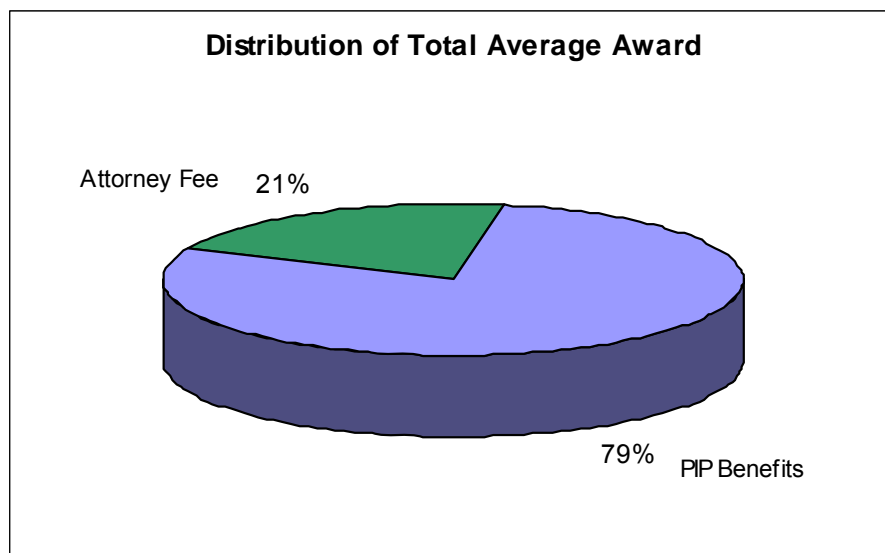
Region	Dismissed	Denied	1-33%	34-66%	67-100%	Total
North	32	560	210	463	1400	2,665
Central	2	131	54	117	353	657
South	0	87	39	35	330	491
Total	34	778	303	615	2,083	3,813



*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 \$5,417 comprised of \$4,269 for personal injury protection benefits and \$1,148 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 \$4,269* per case. Awarded amounts ranged from \$0 to \$162,714. The median award during the reporting period was \$1,144.

The average amount awarded for attorney’s fees was \$1,148 per case. Awarded attorney’s fees ranged from \$0 to \$12,550. The median attorney’s fee award during the reporting period was \$1,200.

	Average	Dollar Range	Median
PIP Benefits’ Award	\$4,269*	\$0 to \$162,714	\$1,144
Attorney’s Fee Award	\$1,148	\$0 to \$12,550	\$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

Eighteen (18) appeals to panels of 3 DRPs were concluded during the reporting period. Thirteen (13) involved awards rendered in the North Region, three (3) in the Central Region and two (2) in the South Region. Twenty-eight (28%) percent of appeals resulted in some form of modification, vacation, or remand. The following table reports the results.

	North	Central	South	Total
Affirmed	9	2	2	13
Modified	1	0	0	1
Vacated	1	0	0	1
Vacated & Remanded	2	1	0	3
TOTALS	13	3	2	18

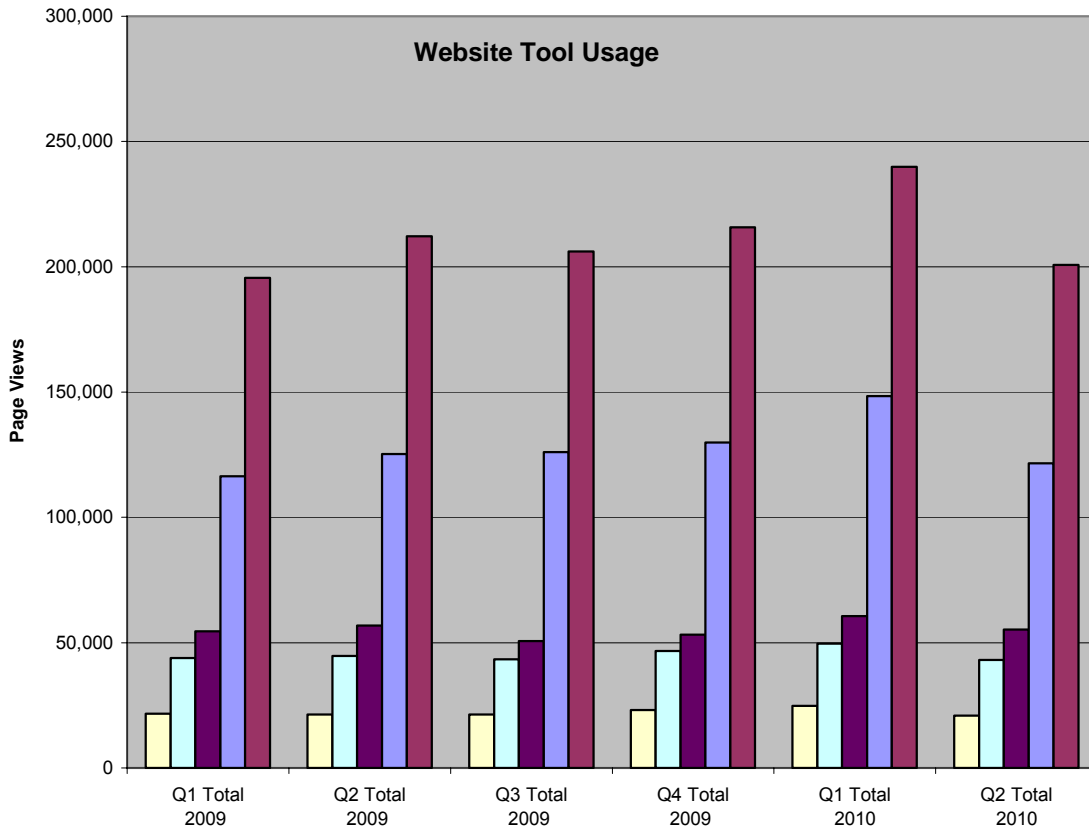
Medical Review Organization Report

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	85	0	85	0	50	3
FMCO	71	0	71	0	30	5
SCS	75	0	75	0	40	0
TOTALS	231	0	231	0	120	8

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 six calendar quarters.



2010 Highlights
 While website usage dipped in Q2 2010, usage for the 1st Half of 2010 increased over the same period in 2009:

- Total visits were 385,727, an 8.8% increase over 2009.
- The total number of document uploads increased 14% to 29,253.
- The number of sign-ins to the Filers Case Management application have increased 9.4%.

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

Appendix A

DRP	Region	Assigned	Closed	Awarded/Deny	Hearings
Aloi, Anthony M.	CENTRAL	224	184	71	83
Alterman, Herbert	NORTH	0		61	
Amendola, Esq., Francesca	NORTH	308	234	99	141
Andolino, Michael D.	CENTRAL	220	218	90	102
Annunziata, Maria	CENTRAL	228	190	76	104
Brodow, Nora J.	NORTH	297	210	73	111
Carro, Sergio G.	NORTH	294	231	88	110
Caserta, Patrick J.	NORTH	452	131	6	18
Cassella, Deborah M.	NORTH	321	201	75	81
Celentano, Cynthia J.	NORTH	329	223	85	95
Damiano, Robert S.	NORTH	335	195	85	128
Daniskas, Maria I.	NORTH	299	232	77	111
de Cordova, Donald W.	NORTH	330	225	91	125
DeMarco, Joseph	NORTH	315	238	79	98
DeMichele, Richard A	SOUTH	217	260	85	127
Eisele-Grabowski, Karen	SOUTH	328	247	87	104
Fabiano, Edward	NORTH	317	255	109	116
Fannan, John J.	CENTRAL	245	190	81	108
Fazio, Cataldo F.	NORTH	311	218	78	98
Foley, Patrick W.	CENTRAL	235	176	81	101
Ganzhorn, Lisa A.	NORTH	300	253	86	116
Garrabrandt, James H.	NORTH	304	243	99	129
Grabowski (ML), David A.	SOUTH	312	285	92	103
Granato, S. Caroline	SOUTH	317	224	84	119
Hackett, Michael	NORTH	293	225	87	129
Johnston, Maureen M.	NORTH	316	239	111	133
Kaczka, Thomas M.	NORTH	317	238	82	115
Kincade, Kathleen D.	CENTRAL	219	186	80	108
Knuetter, Margaret	NORTH	312	226	94	108
La Salle (North), Robert C.	NORTH	351	216	69	91
LaPorta, David M.	NORTH	293	210	80	102
LaPorta, Phillip A.	NORTH	308	224	79	116
Lardiere, Andrea L	CENTRAL	217	183	74	95
Lesser, Gary T.	NORTH	291	217	78	108
Lynch, Charles H.	NORTH	306	214	84	123
McFadden (CH), Michael K.	SOUTH	294	216	66	79
McFadden (NO), Michael K.	SOUTH	17	19	6	11
Miller, Matthew G.	NORTH	302	231	75	96
Noonan, Scott M.	NORTH	313	215	88	110
Odell, Barry K.	CENTRAL	113	72	28	34
Patriaco, Andrew A.	NORTH	298	237	98	124
Remington-Knodel, Jennifer	NORTH	321	249	93	123
Sacco, Russ	CENTRAL	226	196	77	97
Sproviero, Scott G.	NORTH	306	233	89	140
Stokes, Nanci G.	NORTH	327	234	97	118
Tamburino, Joseph A.	NORTH	309	227	71	92
Wallen (AC), Kate R.	SOUTH	9	11	4	5
Wallen (CH), Kate R.	SOUTH	338	230	69	70
Zimmerman, Richard T.	NORTH	305	218	78	108

Total	13539	10029	3795	4863
--------------	--------------	--------------	-------------	-------------



285 Davidson Ave., Suite 502
Somerset, NJ 08873
888-881-6231
www.adrforum.com

© 2009 NATIONAL ARBITRATION FORUM
01/09 MO