



QUARTERLY REPORT TO
THE NEW JERSEY DEPARTMENT
OF BANKING & INSURANCE

*No Fault Insurance PIP Arbitration
4th Quarter, 2010*

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Executive Summary

In the 4th quarter of 2010, 15,634 cases were initiated in the PIP ADR program. Of these cases, 11,213 (72%) originated in the Northern region, 2,214 (14%) in the Central region, and 2,207 (14%) in the Southern region.

Of the pending cases filed with the FORUM in the PIP arbitration program, 13,677 cases were concluded during the 4th quarter by means of an award or denial of award (including appeals), pre-hearing dismissal of the case, settlement or withdrawal. There were 149 cases placed in abeyance by consent of the parties or by order of the court. There were 13,554 cases assigned to DRPs.

During the 4th quarter, 3,277 cases settled during the conciliation period distributed regionally as follows: 2,274 in the North region; 498 in the Central region; 505 in the South region. There are likely cases that the parties communicated as “withdrawn” or otherwise concluded which were actually settled and would qualify for this category.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 \$5,448 comprised of \$4,322 for personal injury protection benefits and \$1,126 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.

Seventeen (17) appeals to panels of 3 DRPs were concluded during the reporting period. Six (6) involved awards rendered in the North Region, seven (7) in the Central Region and four (4) in the South Region. Fifty-five (55%) percent of appeals resulted in some form of modification, vacation, or remand.

During the reporting period, parties requested 195 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.

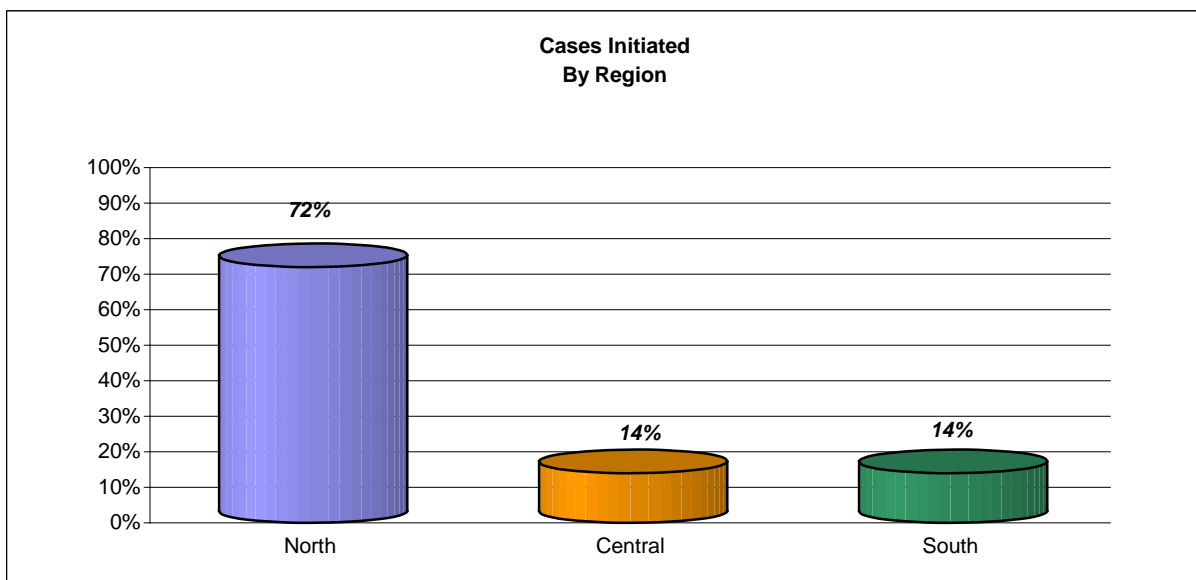
The Panel of Dispute Resolution Professionals (DRPs) consisted of 48 members. The DRPs were regionally deployed as follows: 32 in the North; 8 in the Central with full caseloads and 1 with a reduced caseload; 7 in the South.

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 4th quarter of 2010, 15,634 cases were initiated in the PIP ADR program. Of these cases, 11,213 (72%) originated in the Northern region, 2,214 (14%) in the Central region, and 2,207 (14%) in the Southern region. See the table below for the monthly distribution.

	North	Central	South	Total
October	3,971	795	868	5,634
November	3,897	699	695	5,291
December	3,345	720	644	4,709
Region Total	11,213	2,214	2,207	15,634
Region Percent	72%	14%	14%	100%



The table below provides a view of initiations for 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
3 rd Quarter 2010	11,276	2,185	2,434	15,895
4 th Quarter 2010	11,213	2,214	2,207	15,634
Totals	43,845	8,726	9,194	61,765

Disposition of Cases in the PIP ADR Program

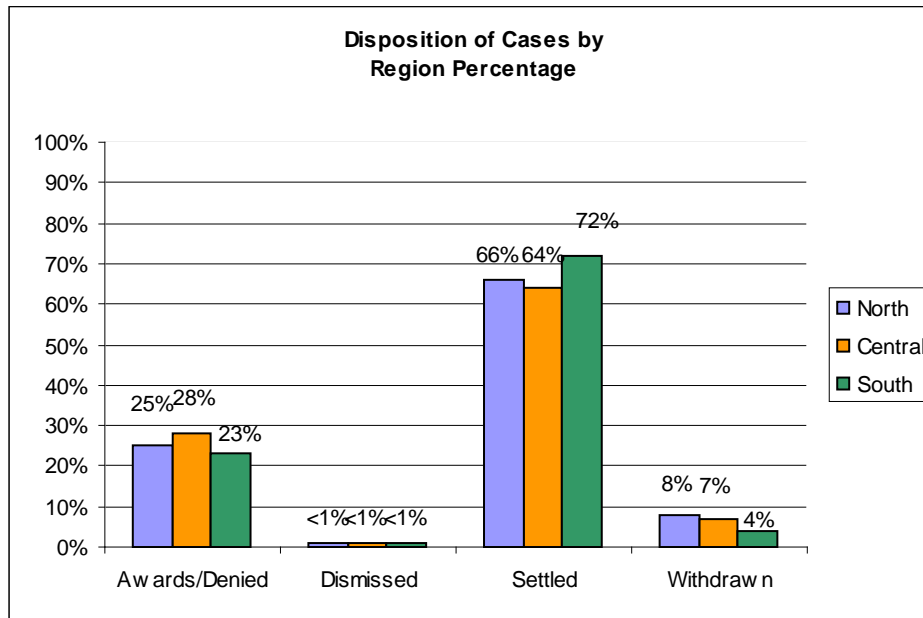
Of the pending cases filed with the FORUM in the PIP arbitration program, 13,677 cases were concluded during the 4th quarter by means of an award or denial of award (including appeals), pre-hearing dismissal of the case, settlement or withdrawal. The table below illustrates the manner in which cases were administered and concluded in the various geographic regions.

Disposition Type	North	Central	South	Total
Awarded/Denied	2,412	602	451	3,465
Dismissed Pre-Hearing	30	2	1	33
Settled	6,404	1,356	1,389	9,149
Withdrawn	803	142	85	1,030
Total	9,649	2,102	1,926	13,677

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	25%	28%	23%
Dismissed Pre-Hearing	<1%	<1%	<1%
Settled	66%	64%	72%
Withdrawn	8%	7%	4%
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	102	38	9	149
Region Percent	68%	26%	6%	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 4th quarter, 3,277 cases settled during the conciliation period distributed regionally as follows: 2,274 in the North region; 498 in the Central region; 505 in the South region.

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

Geographic Regions	North	Central	South	System-Wide
Region Settlements	2,274	498	505	3,277
Region Percent	9%	10%	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 48 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; 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 10,088 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 4th quarter of 2010, after the cases were assigned to the DRP for hearing.

Disposition	North	Central	South	Total	System-Wide Percentage
Awarded/Denied	2,421	609	452	3,482	34%
Dismissed by DRP	30	2	1	33	<1%
Settled	4,050	838	872	5,760	57%
Withdrawn	635	110	68	813	8%
Total	7,136	1,559	1,393	10,088	100%

Regional Awards' Percentage

As shown above, a total of 3,482 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.

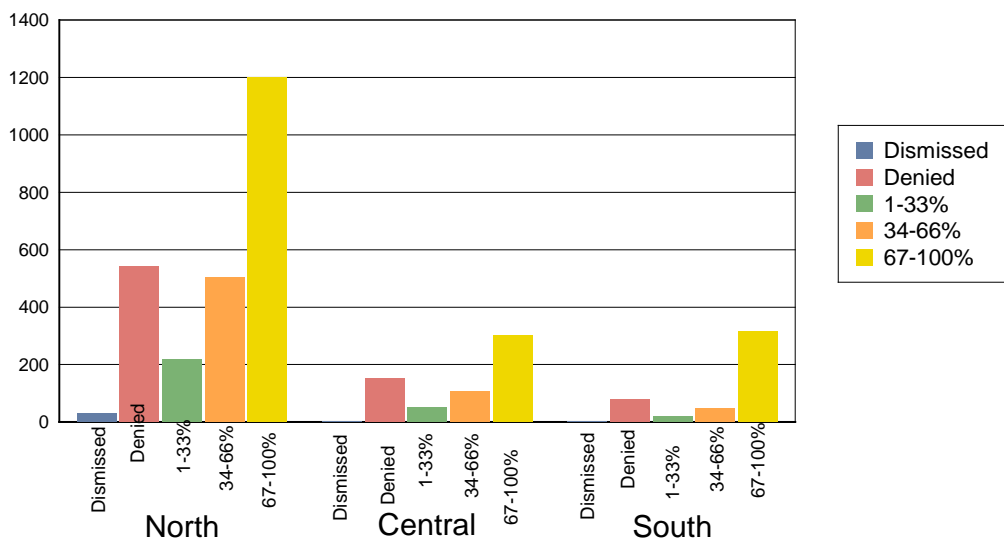
Awards as a Percentage of Claim Amount

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 4th 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.

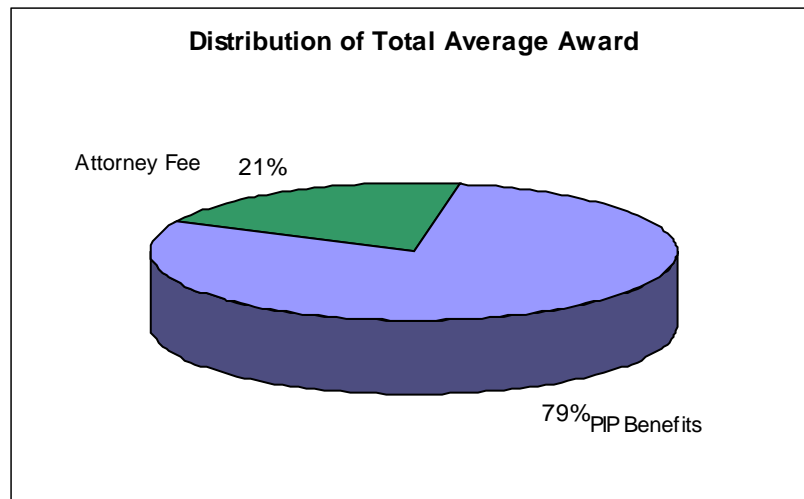
Region	Dismissed	Denied	1-33%	34-66%	67-100%	Total
North	30	543	219	503	1,202	2,497
Central	2	153	51	107	300	613
South	1	78	20	49	317	465
Total	33	774	290	659	1,819	3,575



*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 \$5,448 comprised of \$4,322 for personal injury protection benefits and \$1,126 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 \$4,322* per case. Awarded amounts ranged from \$0 to \$178,932. The median award during the reporting period was \$1,200.

The average amount awarded for attorney's fees was \$1,126 per case. Awarded attorney's fees ranged from \$0 to \$7,200. The median attorney's fee award during the reporting period was \$1,200.

	Average	Dollar Range	Median
PIP Benefits' Award	\$4,322*	\$0 to \$178,932	\$1,200
Attorney's Fee Award	\$1,126	\$0 to \$7,200	\$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

Seventeen (17) appeals to panels of 3 DRPs were concluded during the reporting period. Six (6) involved awards rendered in the North Region, seven (7) in the Central Region and four (4) in the South Region. Fifty-five (55%) percent of appeals resulted in some form of modification, vacation, or remand. The following table reports the results.

	North	Central	South	Total

Affirmed	5	4	2	11
Modified	1	0	0	1
Modified & Remanded	0	1	0	1
Vacated & Remanded	0	2	2	4
TOTALS	6	7	4	17

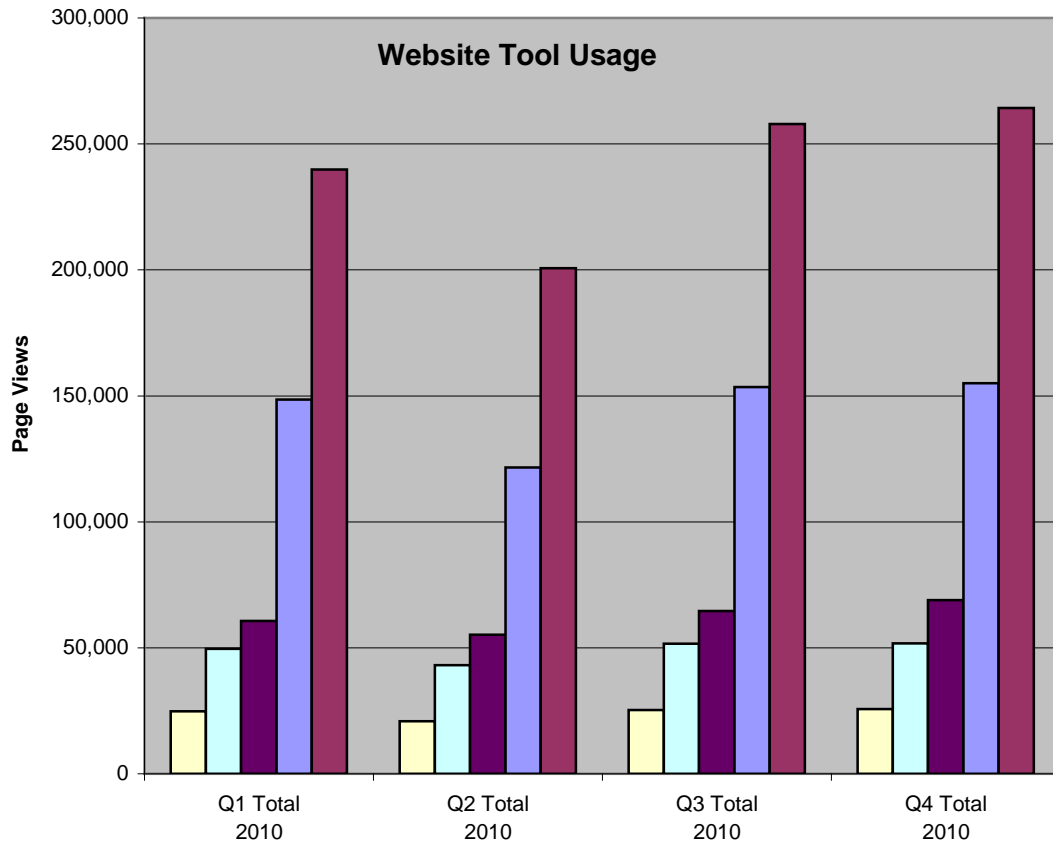
Medical Review Organization Report

There are currently three Medical Review Organizations certified by the Department of Banking and Insurance. They are ExamWorks formerly known as CFO Medical Services, 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
ExamWorks	63	0	63	0	24	1
FMCO	70	0	70	0	13	2
SCS	62	0	62	0	17	2
TOTALS	195	0	195	0	54	5

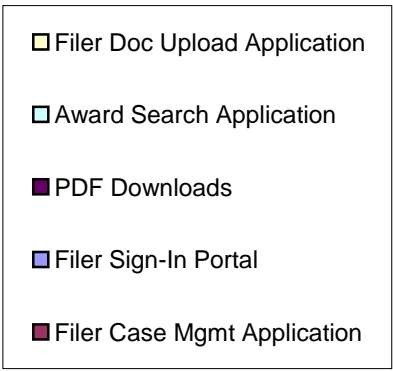
Online Case Management and Award Searching

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 Q4 Highlights

- Total page views of the homepage in Q4 '10 has increased 7.5% from Q4 '09.
- The DRP sign-in has increased from 17,798 visits in Q3' 10 to 18,591 visits in Q4 '10.
- The number of cases viewed in the Filers Case Management application have increased 2.4% from Q3 '10.
- The number of PDFs downloaded has increased by 4,402 downloads from Q3 '10 for a 6.4% increase in downloads.



Appendix A

DRP	Region	Assigned	Closed	Awarded/ Denied	Hearings
Aloi, Anthony M.	CENTRAL	208	177	69	78
Amendola, Esq., Francesca	NORTH	310	246	83	130
Andolino, Michael D.	CENTRAL	227	202	75	92
Annunziata, Maria	CENTRAL	215	173	72	98
Brodow, Nora J.	NORTH	281	199	63	118
Carnelli, Christopher M.	SOUTH	313	207	50	65
Carro, Sergio G.	NORTH	289	247	100	135
Caserta, Patrick J.	NORTH	270	217	94	123
Cassella, Deborah M.	NORTH	291	228	74	84
Celentano, Cynthia J.	NORTH	281	244	81	94
Damiano, Robert S.	NORTH	290	223	81	127
Daniskas, Maria I.	NORTH	282	239	67	111
de Cordova, Donald W.	NORTH	330	196	57	73
DeMarco, Joseph	NORTH	303	199	56	95
Eisele-Grabowski, Karen	SOUTH	247	197	77	115
Fabiano, Edward	NORTH	300	231	79	92
Fannan, John J.	CENTRAL	196	202	76	105
Fazio, Cataldo F.	NORTH	278	212	75	113
Foley, Patrick W.	CENTRAL	207	189	69	91
Ganzhorn, Lisa A.	NORTH	306	222	72	98
Garrabrandt, James H.	NORTH	311	213	70	108
Grabowski (ML), David A.	SOUTH	245	213	66	105
Granato, S. Caroline	SOUTH	251	216	81	114
Hackett, Michael	NORTH	284	234	78	120
Johnston, Maureen M.	NORTH	295	258	87	125
Kaczka, Thomas M.	NORTH	287	284	93	109
Keller, Grant W.	SOUTH	375	188	59	99
Kincade, Kathleen D.	CENTRAL	208	186	69	97
Knuetter, Margaret	NORTH	306	203	62	82
La Salle (North), Robert C.	NORTH	329	240	68	105
LaPorta, David M.	NORTH	291	237	84	115
LaPorta, Phillip A.	NORTH	287	241	81	123
Lardiere, Andrea L.	CENTRAL	201	147	57	89
Lesser, Gary T.	NORTH	286	253	90	125
Lynch, Charles H.	NORTH	263	205	87	126
McFadden (CH), Michael K.	SOUTH	221	189	64	80
McFadden (NO), Michael K.	SOUTH	21	20	9	11
Miller, Matthew G.	NORTH	309	209	75	109
Noonan, Scott M.	NORTH	288	226	85	124
Odell, Barry K.	CENTRAL	98	95	38	48
Patriaco, Andrew A.	NORTH	283	233	99	137
Remington-Knodel, Jennifer	NORTH	308	240	91	123
Riva, Joseph J.	NORTH	845	213	25	27
Sacco, Russ	CENTRAL	216	195	76	99
Sproviero, Scott G.	NORTH	251	244	78	135
Stokes, Nanci G.	NORTH	288	201	74	106
Tamburino, Joseph A.	NORTH	285	232	91	116
Wallen (AC), Kate R.	SOUTH	11	7	3	5

Wallen (CH), Kate R.	SOUTH	212	182	54	65
Zimmerman, Richard T.	NORTH	275	216	81	109
Total		13554	10270	3545	4973



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