



QUARTERLY REPORT TO
THE NEW JERSEY DEPARTMENT
OF BANKING & INSURANCE

*No Fault Insurance PIP Arbitration
1st Quarter, 2011*

1st Quarter 2011 Report
to
New Jersey Department of Banking and Insurance

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Executive Summary

In the 1st quarter of 2011, 15,538 cases were initiated in the PIP ADR program. Of these cases, 10,941 (70%) originated in the Northern region 2,089 (14%) in the Central region, and 2,508 (16%) in the Southern region.

Of the pending cases filed with the FORUM in the PIP arbitration program, 13,805 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 204 cases placed in abeyance by consent of the parties or by order of the court. There were 11,977 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 There are likely cases that the parties communicated as “withdrawn” or otherwise concluded which were actually settled and would qualify for this category.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 (excluding filing fees) was \$5,175 comprised of \$4,091 for personal injury protection benefits and \$1,084 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-three appeals to panels of 3 DRPs were concluded during the reporting period. Eighteen (18) involved awards rendered in the North Region, four (4) in the Central Region and one (1) in the South Region. Thirty (30%) percent of appeals resulted in some form of modification, vacation, or remand.

During the reporting period, parties requested 155 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.

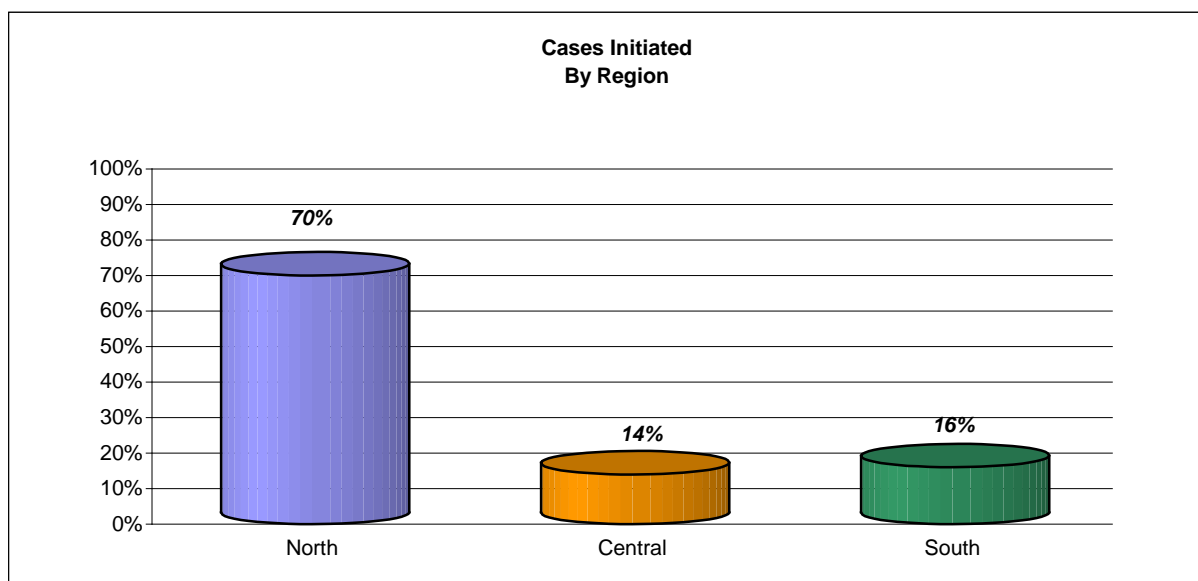
The Panel of Dispute Resolution Professionals (DRPs) consisted of 48 members. The DRPs were regionally deployed as follows: 32 in the North; 8 in the Central with full caseloads and 1 with a reduced caseload; 7 in the South.

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 1st quarter of 2011, 15,538 cases were initiated in the PIP ADR program. Of these cases, 10,941 (70%) originated in the Northern region 2,089 (14%) in the Central region, and 2,508 (16%) in the Southern region. See the table below for the monthly distribution.

	North	Central	South	Total
January	3,434	578	723	4,735
February	3,234	638	704	4,576
March	4,273	873	1,081	6,227
Region Total	10,941	2,089	2,508	15,538
Region Percent	70%	14%	16%	100%



Disposition of Cases in the PIP ADR Program

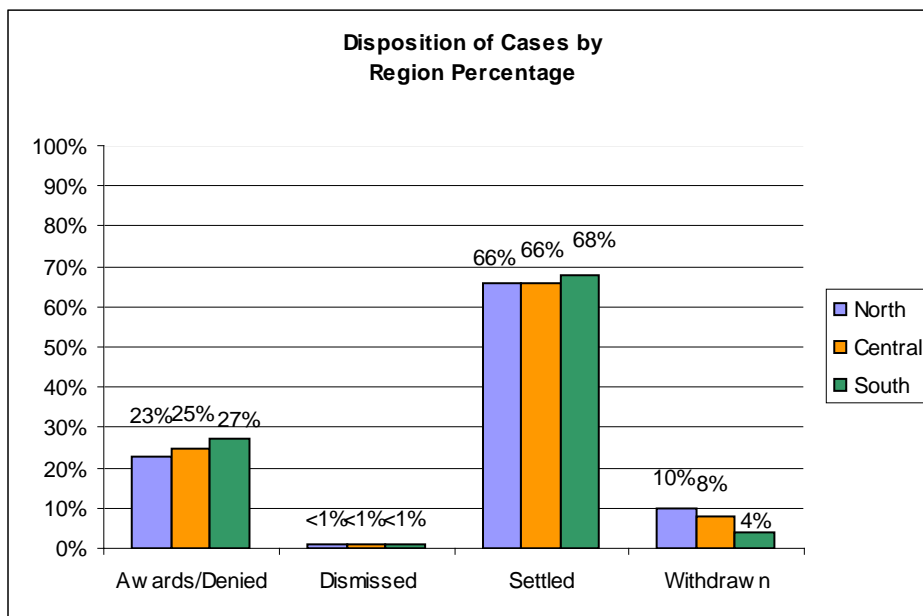
Of the pending cases filed with the FORUM in the PIP arbitration program, 13,805 cases were concluded during the 1st quarter by means of an award or denial of award (including appeals), pre-hearing dismissal of the case, settlement or withdrawal. The table below illustrates the manner in which cases were administered and concluded in the various geographic regions.

Disposition Type	North	Central	South	Total
Awarded/Denied	2,275	510	575	3,360
Dismissed Pre-Hearing	11	0	2	13
Settled	6,441	1,333	1,447	9,221
Withdrawn	965	162	84	1,211
Total	9,692	2,005	2,108	13,805

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	23%	25%	27%
Dismissed Pre-Hearing	<1%	<1%	<1%
Settled	66%	66%	68%
Withdrawn	10%	8%	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	115	67	22	204
Region Percent	56%	33%	11%	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, 2,997 cases settled during the conciliation period distributed regionally as follows: 2,100 in the North region; 424 in the Central region; 473 in the South region.

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

Geographic Regions	North	Central	South	System-Wide
Region Settlements	2,100	424	473	2,997
Region Percent	10%	10%	11%	10%

*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 10,506 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 2011, after the cases were assigned to the DRP for hearing.

Disposition	North	Central	South	Total	System-Wide Percentage
Awarded/Denied	2,275	510	575	3,360	32%
Consent Award	0	0	1	1	0%
Dismissed by DRP	11	0	2	13	<1%
Settled	4,289	891	966	6,146	58%
Withdrawn	794	129	63	986	9%
Total	7,369	1,530	1,607	10,506	100%

Regional Awards' Percentage

As shown above, a total of 3,360 awards were issued by DRPs concerning requests for expedited relief, standard relief, fee disputes, and appeals. Of the awards issued, 68% were in the North region, 15% in the Central region, and 17% in the South.

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

Awards as a Percentage of Claim Amount

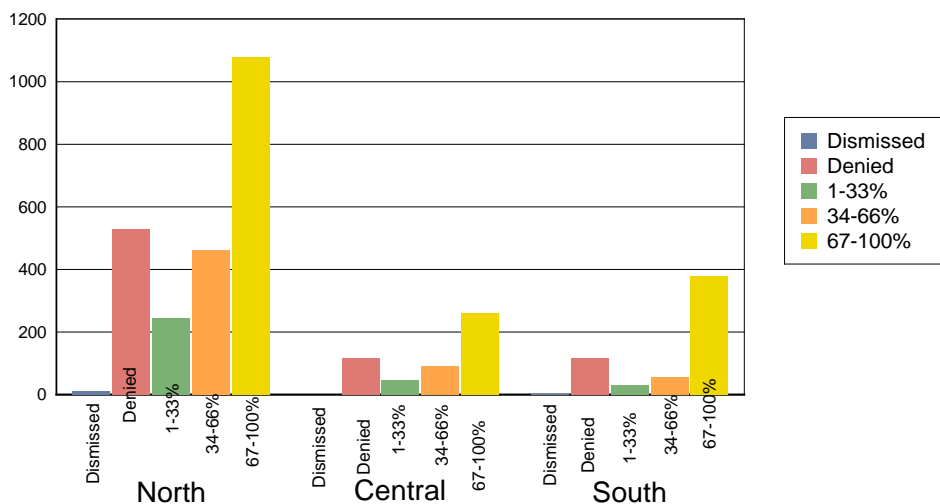
DRPs can deny a claim in its entirety or can award all or part of an amount requested by a Claimant. For cases decided in the 1st quarter of 2011, the graph below indicates the distribution

of DRP total awarded amounts, from 0% (denied/dismissed) to 100% of claimed amounts. Total awarded amounts include PIP benefits, legal fees and costs.

*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.

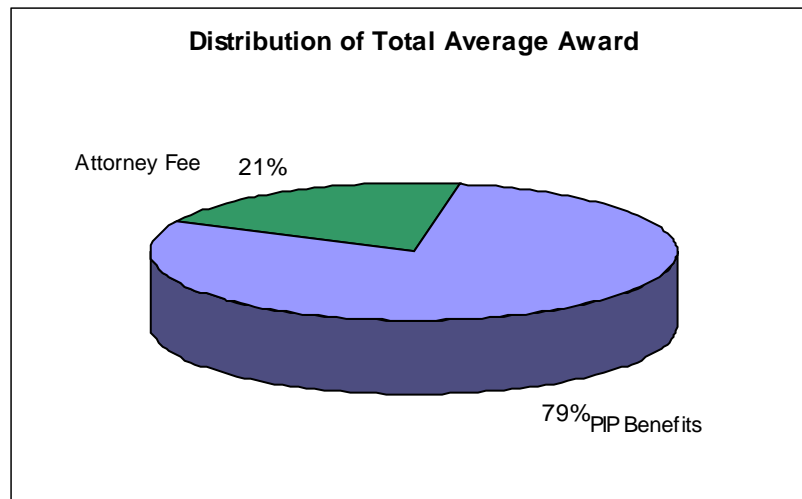
Region	Dismissed	Denied	1-33%	34-66%	67-100%	Total
North	11	529	243	463	1,080	2,326
Central	0	118	45	92	259	514
South	2	117	29	56	379	583
Total	13	764	317	611	1,718	3,423



*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 (excluding filing fees) was \$5,175 comprised of \$4,091 for personal injury protection benefits and \$1,084 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 \$4,091* per case. Awarded amounts ranged from \$0 to \$241,167. The median award during the reporting period was \$1,085.

The average amount awarded for attorney's fees was \$1,084 per case. Awarded attorney's fees ranged from \$0 to \$5,100. The median attorney's fee award during the reporting period was \$1,100.

	Average	Dollar Range	Median
PIP Benefits' Award	\$4,091*	\$0 to \$241,167	\$1,085
Attorney's Fee Award	\$1,084	\$0 to \$5,100	\$1,100

*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-three appeals to panels of 3 DRPs were concluded during the reporting period. Eighteen (18) involved awards rendered in the North Region, four (4) in the Central Region and one (1) in the South Region. Thirty (30%) percent of appeals resulted in some form of modification, vacation, or remand. The following table reports the results.

	North	Central	South	Total

Affirmed	10	4	1	15
Modified	4	0	0	4
Vacated	2	0	0	2
Vacated & Remanded	2	0	0	2
TOTALS	18	4	1	23

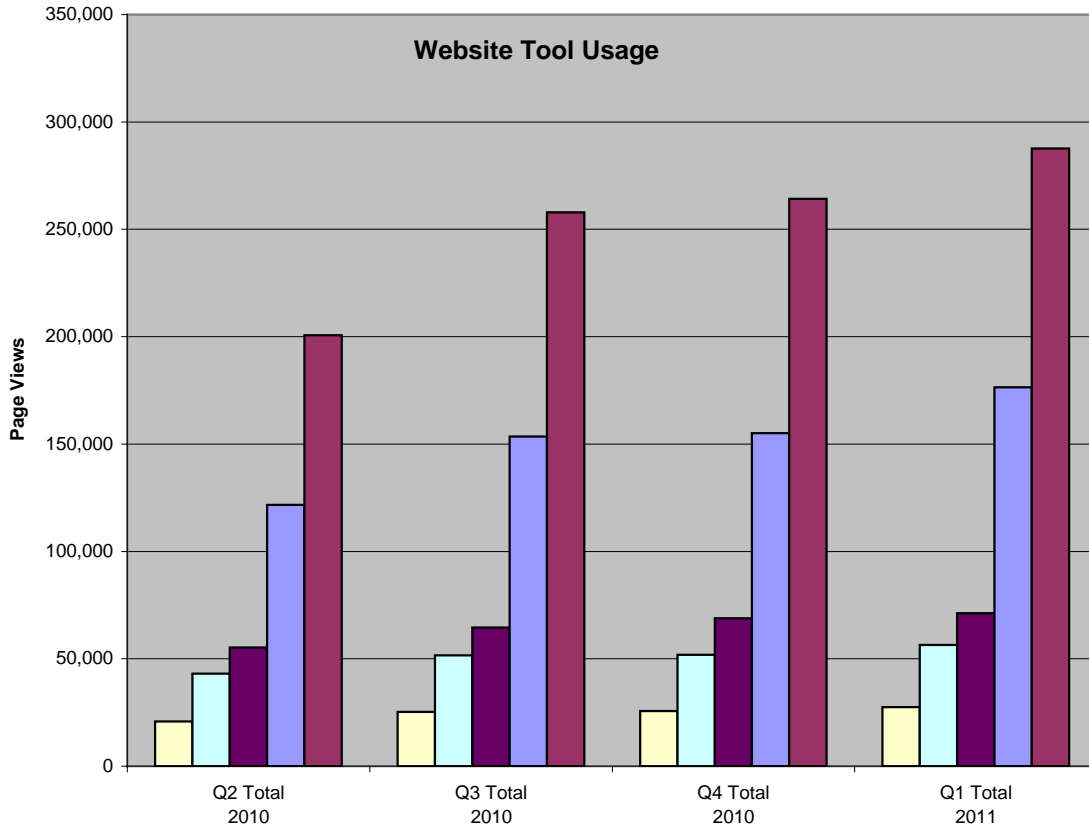
Medical Review Organization Report

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	51	0	51	0	36	2
FMCO	53	0	53	0	21	5
SCS	51	0	51	0	23	3
TOTALS	155	0	155	0	80	10

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.



2011 Q1 Highlights

- Total page views of the homepage in Q1 '11 has increased 15.9% from Q4 '10.
- The DRP sign-in has increased from 37,598 views in Q4' 10 to 40,477 views in Q1 '11, a total increase of 7.1%.
- The number of cases viewed in the Filers Case Management application has increased 16.6% from Q1 '10.
- The number of PDFs downloaded has increased by 10,522 downloads from Q1 '10 for a 14.8% increase in downloads.

■	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	171	176	54	66
Andolino, Michael D.	CENTRAL	172	196	61	69
Annunziata, Maria	CENTRAL	178	170	68	101
Fannan, John J.	CENTRAL	179	182	58	75
Foley, Patrick W.	CENTRAL	174	157	51	66
Kincade, Kathleen D.	CENTRAL	178	199	78	91
Lardiere, Andrea L	CENTRAL	174	175	54	81
Odell, Barry K.	CENTRAL	167	98	35	37
Sacco, Russ	CENTRAL	176	206	62	90
Amendola, Francesca	NORTH	287	262	90	130
Brodow, Nora J.	NORTH	200	210	74	98
Carro, Sergio G.	NORTH	304	255	77	105
Caserta, Patrick J.	NORTH	284	200	58	88
Cassella, Deborah M.	NORTH	291	223	92	103
Celentano, Cynthia J.	NORTH	280	255	87	91
Damiano, Robert S.	NORTH	289	252	84	93
Daniskas, Maria I.	NORTH	278	239	74	103
de Cordova, Donald W.	NORTH	289	215	56	97
DeMarco, Joseph	NORTH	277	235	74	94
Fabiano, Edward	NORTH	284	228	76	83
Fazio, Cataldo F.	NORTH	282	239	80	112
Ganzhorn, Lisa A.	NORTH	284	232	82	104
Garrabrandt, James H.	NORTH	287	236	55	89
Hackett, Michael	NORTH	285	241	75	106
Hebron, Sylvia A	NORTH	56	2	0	0
Johnston, Maureen M.	NORTH	286	238	62	110
Kaczka, Thomas M.	NORTH	281	233	62	75
Knuetter, Margaret	NORTH	283	205	67	100
La Salle (North), Robert C.	NORTH	280	258	94	120
LaPorta, David M.	NORTH	285	249	73	101
LaPorta, Phillip A.	NORTH	279	215	50	94
Lesser, Gary T.	NORTH	284	231	62	104
Lynch, Charles H.	NORTH	22	237	96	106
Miller, Matthew G.	NORTH	291	231	63	79
Noonan, Scott M.	NORTH	283	230	79	118
Patriaco, Andrew A.	NORTH	286	232	64	94
Remington-Knodel, Jennifer	NORTH	282	227	78	100
Riva, Joseph J.	NORTH	298	268	58	68
Sproviero, Scott G.	NORTH	284	237	72	98
Stokes, Nanci G.	NORTH	282	263	90	98
Tamburino, Joseph A.	NORTH	293	230	65	87
Zimmerman, Richard T.	NORTH	276	217	56	92
Carnelli, Christopher M.	SOUTH	226	186	66	90
Eisele-Grabowski, Karen	SOUTH	225	264	90	125
Grabowski (ML), David A.	SOUTH	224	240	74	95
Granato, S. Caroline	SOUTH	227	232	92	117
Keller, Grant W.	SOUTH	218	244	88	111
McFadden (CH), Michael K.	SOUTH	211	210	75	81

McFadden (NO), Michael K.	SOUTH	16	18	8	13
Wallen (AC), Kate R.	SOUTH	17	15	7	9
Wallen (CH), Kate R.	SOUTH	212	219	87	91
Total		11977	10712	3433	4548



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