



NEW JERSEY DEPARTMENT OF
BANKING AND INSURANCE
QUARTERLY REPORT

No Fault PIP Arbitration
3rd Quarter 2012



FORTHRIGHT

3RD QUARTER 2012 REPORT

TO THE

NEW JERSEY DEPARTMENT OF BANKING AND INSURANCE

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EXECUTIVE SUMMARY

In the 3rd quarter of 2012, 13,141 cases were initiated in the PIP ADR program. Of these cases, 8,737 (66%) originated in the Northern region, 1,972 (15%) in the Central region, and 2,432 (19%) in the Southern region.

During the quarter, the DRP panel consisted of 56 members. The DRPs were regionally deployed as follows: 39 in the North; 9 in the Central; 8 in the South. 11,367 cases were assigned to DRPs.

Of the pending cases in the PIP arbitration program, 13,191 were concluded during the 3rd quarter by means of an award or denial of award (including appeals), pre-hearing dismissal of the case, settlement, or withdrawal. There were 717 cases placed in abeyance by consent of the parties or by order of the court.

System-wide, the average amount awarded in arbitration (excluding filing fees) was \$3,961, comprised of \$3,171 for personal injury protection benefits and \$790 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 may be less than the awarded amount.

Seventeen (17) appeals to panels of 3 DRPs were concluded during the reporting period. Seven (7) involved awards or dismissal orders rendered in the North Region, eight (8) in the Central Region and two (2) in the South Region. Twelve percent (12%) of appeals resulted in some form of modification. The following table reports the results.

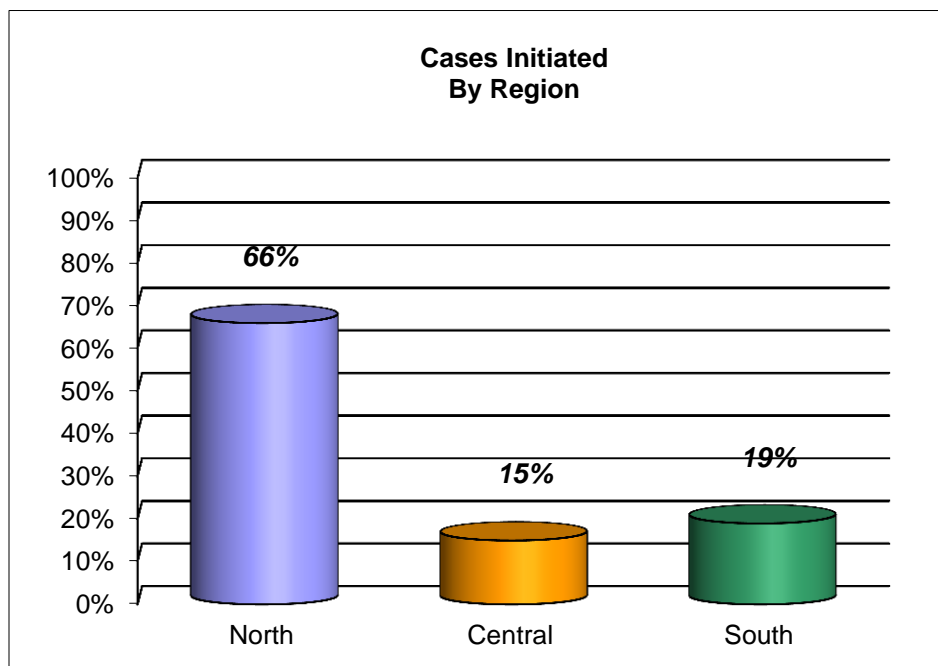
During the reporting period, parties requested 97 Medical Review Organization (MRO) reviews. DRPs did not request any reviews. The requests were apportioned among the three current MROs on a rotating basis.

CASES INITIATED

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

In the 3rd quarter of 2012, 13,141 cases were initiated in the PIP ADR program. Of these cases, 8,737 (66%) originated in the Northern region, 1,972 (15%) in the Central region, and 2,432 (19%) in the Southern region. See the table below for the monthly distribution.

	North	Central	South	Total
July	3,103	695	757	4,555
August	2,942	670	1,003	4,615
September	2,692	607	672	3,971
Region Total	8,737	1,972	2,432	13,141
Region Percent	66%	15%	19%	100%



The following table summarizes the initiations for the three calendar quarters of 2012.

	North	Central	South	Total
1st Quarter 2012	9,797	2,046	2,789	14,632
2 nd Quarter 2012	9,127	1,918	2,345	13,390
3 rd Quarter 2012	8,737	1,972	2,432	13,141

DISPOSITION OF CASES IN THE PIP ADR PROGRAM

Of the pending cases in the PIP arbitration program, 13,191 were concluded during the 3rd 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 three geographic regions.

Disposition Type	North	Central	South	Total
Awarded/Denied	3,213	635	598	4,446
Dismissed Pre-Hearing	10	2	2	14
Settled	5,048	1,157	1,392	7,597
Withdrawn	864	135	135	1,134
Total	9,135	1,929	2,127	13,191

DISPOSITION OF CASES BY REGION PERCENTAGE

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

Disposition Type	North	Central	South
Awarded/Denied	35%	28%	33%
Dismissed Pre-Hearing	<1%	<1%	<1%
Settled	55%	65%	60%
Withdrawn	9%	6%	7%
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	503	107	107	717
Region Percent	70%	15%	15%	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.

The following table expresses the regional distribution of settlements.

Geographic Regions	North	Central	South	System-Wide
Region Settlements	1,985	488	513	2,986

*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

During the quarter, the DRP panel consisted of 56 members. The DRPs were regionally deployed as follows: 39 in the North; 9 in the Central; 8 in the South. 11,367 cases were assigned to DRPs.

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 9,993 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 3rd quarter of 2012, after the cases were assigned to the DRP for hearing.

Disposition	North	Central	South	Total	System-Wide Percentage
Awarded/Denied	3,213	635	598	4,446	44%
Dismissed by DRP	10	2	2	14	<1%
Settled	3,028	650	859	4,537	45%
Withdrawn	775	107	114	996	10%
Total	7,026	1394	1573	9,993	100%

REGIONAL AWARDS' PERCENTAGE

As shown above, a total of 4,446 awards were issued by DRPs concerning requests for expedited relief, standard relief, fee disputes, and appeals. Of the awards issued, 72% were in the North region, 14% in the Central region, and 13% in the South.

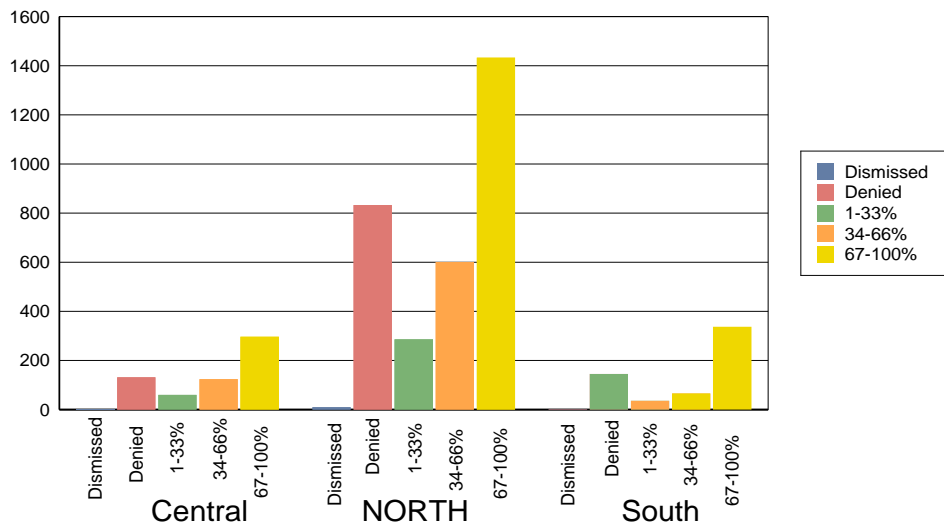
An online database of these awards is located at www.nj-no-fault.com.

AWARDS AS A PERCENTAGE OF CLAIM AMOUNT

DRPs can deny a claim in its entirety or award all or part of an amount requested by a Claimant. For cases decided in the 3rd quarter of 2012, 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.

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.

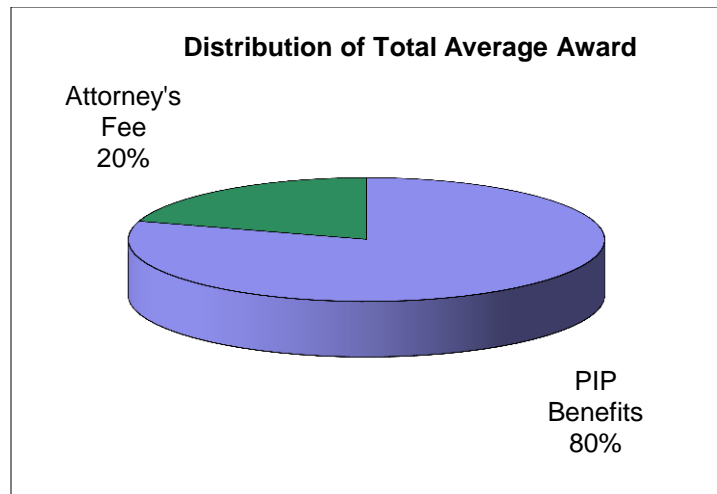
Region	Dismissed	Denied	1-33%	34-66%	67-100%	Total
Central	2	131	60	124	297	614
North	10	833	286	601	1,433	3,163
South	2	145	36	66	337	586
Total	14	1109	382	791	2,067	4,363



*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 \$3,961, comprised of \$3,171 for personal injury protection benefits and \$790 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 \$3,171* per case. Awarded amounts ranged from \$0 to \$228,393. The median award during the reporting period was \$916.

The average amount awarded for attorney’s fees was \$790 per case. Awarded attorney’s fees ranged from \$0 to \$5,500. The median attorney’s fee award during the reporting period was \$1,000.

	Average	Dollar Range	Median
PIP Benefits’ Award	\$3,171*	\$0 to \$228,393	\$916
Attorney’s Fee Award	\$790	\$0 to \$5,500	\$1000

*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 may be less than the awarded amount.

APPEALS

Seventeen (17) appeals to panels of 3 DRPs were concluded during the reporting period. Seven (7) involved awards or dismissal orders rendered in the North Region, eight (8) in the Central Region and two (2) in the South Region. Twelve percent (12%) of appeals resulted in some form of modification. The following table reports the results.

	North	Central	South	Total
Affirmed	6	8	1	15
Vacated	0	0	1	1
Modified	1	0	0	1
TOTALS	7	8	2	17

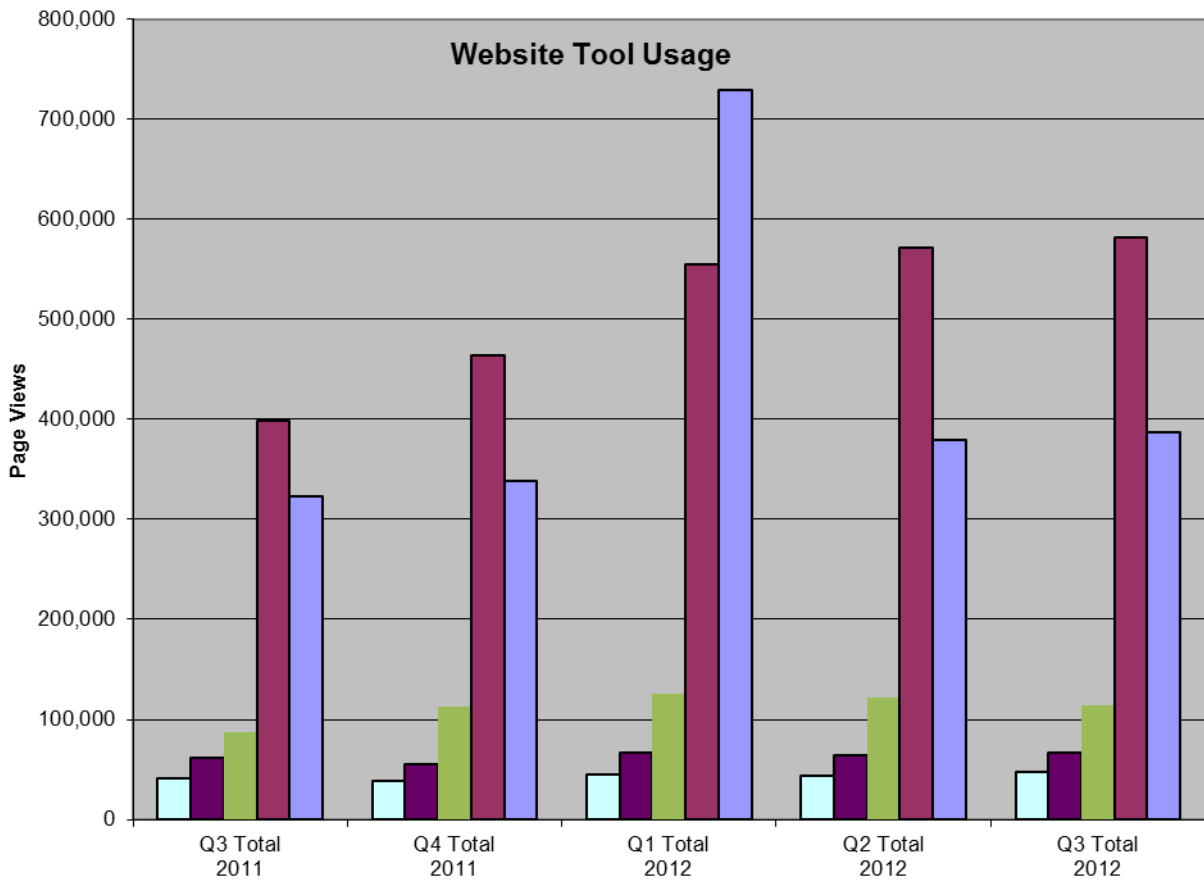
MEDICAL REVIEW ORGANIZATION REPORT

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 below.

MRO	Request By Party	Request By DRP	Total Requests	Request for Information	Report in 20 Business Days	Report After 20 Business Days
ExamWorks	32	0	32	0	18	14
FMCO	31	0	31	0	10	21
SCS	34	0	34	1	15	19
TOTALS	97	0	97	1	43	54

ONLINE CASE MANAGEMENT AND AWARD SEARCHING

This section of the report provides usage data for Forthright’s free web-based case management tools for PIP practitioners located online at www.nj-no-fault.com. Forthright completely re-designed and enhanced the functionality of the user web portals as a free customer service. PIP practitioners now access a “dashboard” from which they can navigate through their case information. They can retrieve and view both parties’ document submissions as well as access rules and forms, file and manage cases online, upload case documents, and search prior decisions. The chart below compares usage for the past five calendar quarters.



2012 Q3 Highlights

- The Awards Search page has seen a 7.4% increase in visits since Q3 '11.
- The number of PDF Downloads remains at about 66,000.
- The number of Filer Case Views has increased 1.8% since Q2 '12 and 31.4% since Q3 '11.
- The number of different main content pages viewed increased 14.9% from Q2 '12.

□ Award Search Application

■ PDF Downloads

■ DRP Case Views

■ Filer Case Views

■ Filer Dashboard Views

APPENDIX A

DRP	Region	Assigned	Closed	Awarded/ Denied
Aloi, Anthony M.	CENTRAL	216	135	58
Amendola, Francesca	NORTH	177	192	82
Andolino, Michael D.	CENTRAL	214	162	67
Annunziata, Maria	CENTRAL	180	164	83
Campbell, Jennifer M.	NORTH	191	192	69
Carnelli, Christopher M.	SOUTH	158	179	71
Carro, Sergio G.	NORTH	204	208	102
Caserta, Patrick J.	NORTH	161	190	81
Cassella, Deborah M.	NORTH	197	201	91
Celentano, Cynthia J.	NORTH	173	207	107
Croft, Douglas M.	NORTH	168	205	83
Damiano, Robert S.	NORTH	204	191	96
Daniskas, Maria I.	NORTH	222	200	91
de Cordova, Donald W.	NORTH	209	178	86
Della Badia, Joseph	NORTH	388	234	8
DeMarco, Joseph	NORTH	176	185	73
Eisele-Grabowski, Karen	SOUTH	175	172	52
Fabiano, Edward	NORTH	203	188	69
Fannan, John J.	CENTRAL	199	153	65
Fazio, Cataldo F.	NORTH	175	196	90
Foley, Patrick W.	CENTRAL	169	192	76
Ganzhorn, Lisa A.	NORTH	165	182	98
Garrabrandt, James H.	NORTH	178	208	94
Grabowski, David A.	SOUTH	171	191	72
Granato, S. Caroline	SOUTH	216	186	68
Hackett, Michael	NORTH	231	213	91
Hebron, Sylvia A	NORTH	200	215	87
Johnston, Maureen M.	NORTH	227	181	87
Kaczka, Thomas M.	NORTH	166	180	73
Karbasian, Carolyn K.	SOUTH	230	227	91
Keller, Grant W.	SOUTH	238	216	77
Kincade, Kathleen D.	CENTRAL	148	142	69
Knuetter, Margaret	NORTH	208	224	92
La Salle, Robert C.	NORTH	211	154	47
LaPorta, Phillip A.	NORTH	182	203	94
Lardiere, Andrea L	CENTRAL	127	187	90
Lesser, Gary T.	NORTH	192	226	117
McFadden (LI), Michael K.	SOUTH	14	15	6
McFadden, Michael K.	SOUTH	239	196	73
Miller, Matthew G.	NORTH	210	195	82
Nardella, George C.	NORTH	204	3	0
Noonan, Scott M.	NORTH	172	188	88
O'Brien, Matthew J.	NORTH	174	199	107
Odell, Barry K.	CENTRAL	148	177	76
O'Donnel, Kenneth L.	NORTH	788	114	0
Patriaco, Andrew A.	NORTH	168	208	92
Reis, Karen M.	NORTH	156	209	89

Remington-Knodel, Jennifer	NORTH	165	201	69
Reynolds, William E.	SOUTH	201	15	0
Riva, Joseph J.	NORTH	206	208	95
Sacco, Russ	CENTRAL	176	163	79
Sproviero, Scott G.	NORTH	143	193	82
Stampone, Vincenzo	NORTH	194	185	74
Stokes, Nanci G.	NORTH	143	193	90
Tamburino, Joseph A.	NORTH	195	159	66
Wallen (NO), Kate R.	SOUTH	2	7	4
Wallen, Kate R.	SOUTH	244	192	77
Zimmerman, Richard T.	NORTH	176	197	82
Total		11,367	10,276	4278

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