



AUTOMOBILES

NEW JERSEY DEPARTMENT OF  
BANKING AND INSURANCE  
**QUARTERLY REPORT**

No Fault PIP Arbitration  
3rd Quarter 2013



FORTHRIGHT

**3<sup>RD</sup> QUARTER 2013 REPORT**

**TO THE**

**NEW JERSEY DEPARTMENT OF BANKING AND INSURANCE**

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## EXECUTIVE SUMMARY

The format of this report has been updated to capture data for cases with in-person proceedings as well as more data for those with “on-the-papers” proceedings. Pursuant to changes in the applicable regulations, the PIP arbitration rules were amended and Forthright began accepting filings of on-the-papers cases on March 1, 2013. Therefore, this report includes data for the first and second full quarters of on-the-papers cases. Throughout this report, in-person cases may be designated as “IP” and on-the-papers cases may be designated as “OTP.”

In the 3<sup>rd</sup> quarter of 2013, 13,867 cases were initiated in the PIP ADR program. Of these cases, 7,704 (56%) were filed in the Northern region, 1,729 (12%) in the Central region, and 1,562 (11%) in the Southern region, and 2,872 (21%) as OTP.

During the quarter, the DRP panel consisted of 60 members. The DRPs were regionally deployed as follows: 41 in the North; 9 in the Central; 10 in the South. 14,188 cases were assigned to DRPs.

Of the pending cases in the PIP arbitration program, 14,028 were concluded during the 3<sup>rd</sup> quarter by means of an award or denial of award (including appeals), pre-hearing dismissal of the case, settlement, or withdrawal. There were 994 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 \$4,736, comprised of \$3,931 for personal injury protection benefits and \$805 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.

Twenty-eight (28) appeals to panels of 3 DRPs were concluded during the reporting period. Seventeen (17) involved awards or dismissal orders rendered in the North Region, nine (9) in the Central Region and two (2) in the South Region. No OTP awards were appealed. Thirty-two percent (32%) of appeals resulted in some form of modification.

During the reporting period, parties requested 100 MRO reviews. DRPs did not request any reviews. The requests were apportioned among the four certified MROs on a rotating basis.

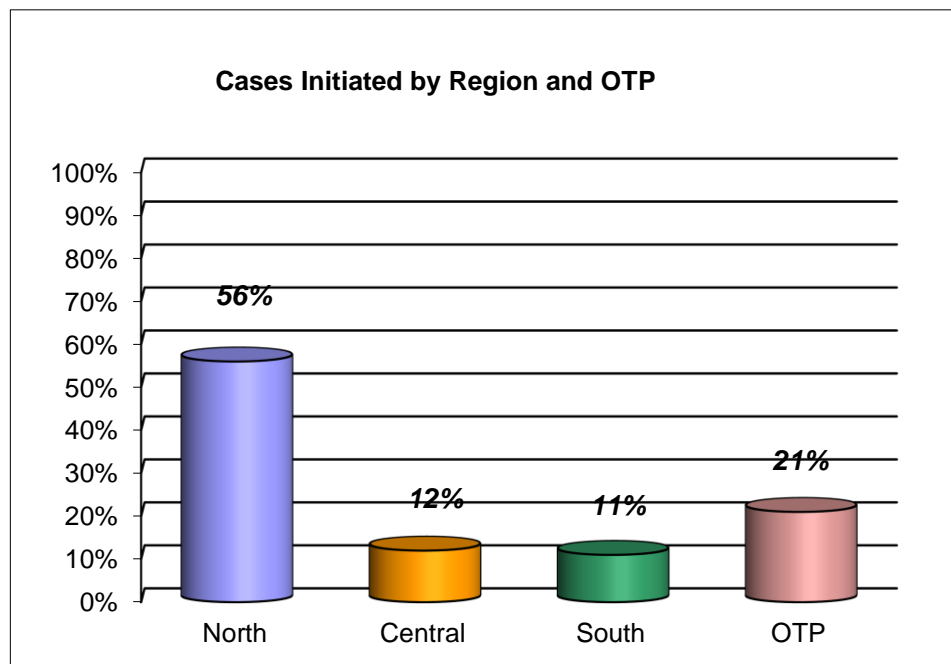
**CASES INITIATED**

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.

Cases which qualify for “in-person” (“IP”) proceedings may be filed in one of the three regions – Central, North or South. They are assigned to a DRP with an office within the geographic location. Cases that proceed “on-the-papers” (“OTP”) are not region specific and may be assigned to any DRP. Throughout this report data are reported as OTP or IP. Regional breakdowns of data describe IP cases only and will bear the designation of “IP – [region]”.

In the 3<sup>rd</sup> quarter of 2013, 13,867 cases were initiated in the PIP ADR program. Of these cases, 7,704 (56%) were filed in the Northern region, 1,729 (12%) in the Central region, and 1,562 (11%) in the Southern region, and 2,872 (21%) as OTP. See the table below for the monthly distribution.

	<b>IP - North</b>	<b>IP -Central</b>	<b>IP - South</b>	<b>OTP</b>	<b>Total</b>
July	2,730	667	500	919	4,816
August	2,444	562	534	1,019	4,559
September	2,530	500	528	934	4,492
Totals	7,704	1,729	1,562	2,872	13,867
Percent	56%	12%	11%	21%	100%



The following table summarizes the initiations for the first two quarters of 2013.

	<b>IP - North</b>	<b>IP -Central</b>	<b>IP - South</b>	<b>OTP</b>	<b>Total</b>
Q1 2013	8,566	2,178	2,073	692	13,509
Q2 2013	7,685	2,163	1,895	2,786	14,529
Q3 2013	7,704	1,729	1,562	2,872	13,867

#### TRANSFER OF CASES FROM OTP PROCEEDINGS TO IP PROCEEDINGS

Under certain circumstances, cases that were initially filed as OTP may be transferred to IP proceedings. The circumstances include consolidations (automatic, by consent or by request), insurance policy issues identified by respondent, cases voluntarily filed as OTP (but the respondent does not consent) and change of claim. Please consult arbitration Rules 6, 9 and 51 for a complete explanation of the circumstances for transfer. The table below shows the number of cases transferred in the 3<sup>rd</sup> quarter and the reason.

<b>Consolidation</b>	<b>Policy Issues</b>	<b>Change of Claim</b>	<b>Voluntary OTP Filings</b>	<b>Total</b>
253	42	93	3	391

#### DISPOSITION OF CASES IN THE PIP ARBITRATION PROGRAM

Of the pending cases in the PIP arbitration program, 14,028 were concluded during the 3<sup>rd</sup> 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 IP geographic regions as well as the OTP category. The designation "N/A" appears in the table because pre-hearing dismissal is not an option for OTP cases.

<b>Disposition Type</b>	<b>IP - North</b>	<b>IP - Central</b>	<b>IP - South</b>	<b>OTP</b>	<b>Total</b>
Awarded/Denied	3,440	602	682	155	4,879
Dismissed Pre-Hearing	22	4	0	N/A	26
Settled	4,214	980	1,131	1,631	7,956
Withdrawn	698	144	134	191	1,167
Total	8,374	1,730	1,947	1,977	14,028

## DISPOSITION OF CASES BY PERCENTAGE

The table below presents the disposition of on-the-papers cases and the regional disposition of in-person cases as percentages of all case dispositions during the reporting period.

<b>Disposition Type</b>	<b>IP - North</b>	<b>IP - Central</b>	<b>IP - South</b>	<b>OTP</b>
Awarded/Denied	41%	35%	35%	8%
Dismissed Pre-Hearing	<1%	<1%	<1%	N/A
Settled	50%	58%	57%	91%
Withdrawn	8%	7%	8%	<1%

## 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.

<b>IP - North</b>	<b>IP - Central</b>	<b>IP - South</b>	<b>OTP</b>	<b>Total</b>
685	136	173	0	994

## 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 distribution of settlements within 45 days of initiation.

	<b>IP – North</b>	<b>IP - Central</b>	<b>IP - South</b>	<b>OTP</b>	<b>Total</b>
Settlements	1,314	295	220	1,071	2,900

\*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 60 members. The DRPs were regionally deployed as follows: 41 in the North; 9 in the Central; 10 in the South. 14,188 cases were assigned to DRPs.

Caseload activity of DRPs is represented in Appendix A. The appendix had been modified to distinguish in-person cases from on-the-papers cases. Note that the tally of awarded and settled cases displayed in the ‘Disposition of Cases After DRP Added’ Section and Appendix A may vary slightly because of the method of collecting data for each. For example, an award rendered by a 3 DRP panel is reported for each DRP in Appendix A. A case that settles while in abeyance without an active DRP will not be counted in Appendix A.

## DISPOSITION OF CASES AFTER DRP ASSIGNMENT

OTP cases are assigned to a DRP upon initiation. IP cases are assigned to DRPs following expiration of the 45-day conciliation period. After DRP appointment, a total of 12,104 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 3<sup>rd</sup> quarter of 2013 after the cases were assigned to DRPs. Note that IP cases are assigned to DRPs after the 45-day conciliation period. OTP cases are assigned upon initiation. Also note that the tally of awarded and settled cases displayed in the ‘Disposition of Cases After DRP Added’ Section and Appendix A may vary slightly because of the method of collecting data for each. For example, an award rendered by a 3 DRP panel is reported for each DRP in Appendix A. A case that settles while in abeyance without an active DRP will not be counted in Appendix A.

<b>Disposition</b>	<b>IP - North</b>	<b>IP - Central</b>	<b>IP - South</b>	<b>Total</b>	<b>OTP</b>	<b>System-Wide Percent</b>
Awarded/Denied	3,458	604	690	4,752	173	41%
Dismissed by DRP	22	4	0	26	N/A	<1%
Settled	2,875	678	904	4,457	1,625	50%
Withdrawn	634	125	126	885	186	9%
<b>Total</b>	<b>6,989</b>	<b>1411</b>	<b>1720</b>	<b>10,120</b>	<b>1,984</b>	<b>100%</b>

## REGIONAL AWARDS' PERCENTAGE

A total of 4,925 awards were issued by DRPs concerning requests for emergent relief, standard relief and fee disputes. Of the awards issued for in-person cases, 73% were in the North region, 13% in the Central region, and 14% in the South.

An online database of these awards is located at [www.nj-no-fault.com](http://www.nj-no-fault.com).

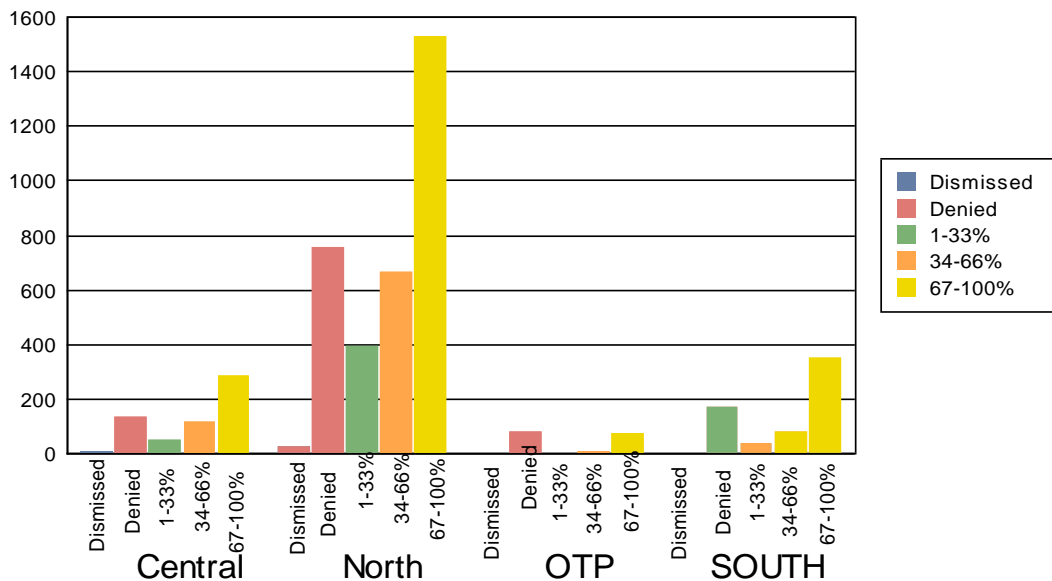


### AWARDS AS A PERCENTAGE OF CLAIM AMOUNT

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 3<sup>rd</sup> quarter of 2013, 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.

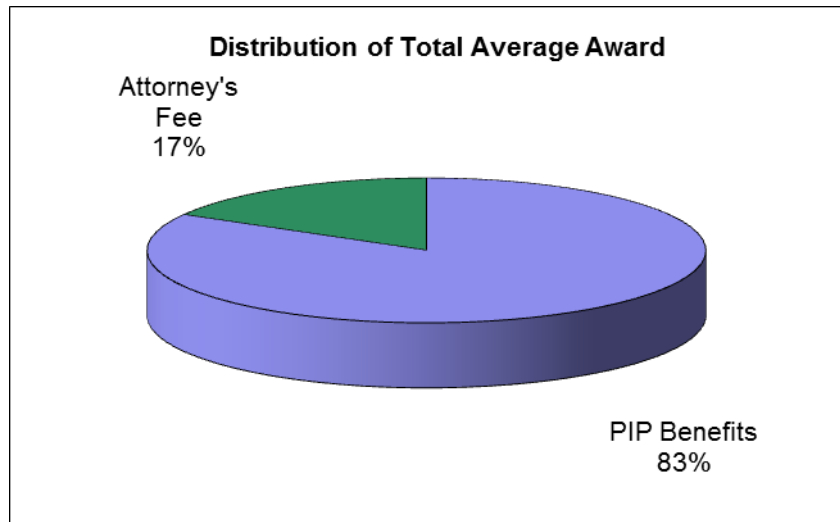
	<b>Dismissed</b>	<b>Denied</b>	<b>1-33%</b>	<b>34-66%</b>	<b>67-100%</b>	<b>Total</b>
IP - Central	4	133	49	115	286	587
IP - North	22	754	392	666	1,527	3,361
IP - South	0	169	36	79	352	636
OTP	N/A	78	2	9	71	160
<b>Total</b>	<b>26</b>	<b>1,134</b>	<b>479</b>	<b>869</b>	<b>2,236</b>	<b>4,744</b>



\*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 \$4,736, comprised of \$3,931 for personal injury protection benefits and \$805 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 \$3,931\* per case. Awarded amounts ranged from \$0 to \$237,557. The median award during the reporting period was \$1,017

The average amount awarded for attorney’s fees was \$805 per case. Awarded attorney’s fees ranged from \$0 to \$4,000. The median attorney’s fee award during the reporting period was \$975.

	<b>Average</b>	<b>Dollar Range</b>	<b>Median</b>
PIP Benefits’ Award	\$3,931*	\$0 to \$237,557	\$1,017
Attorney’s Fee Award	\$805	\$0 to \$4,000	\$975

\*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**

Twenty-eight (28) appeals to panels of 3 DRPs were concluded during the reporting period. Seventeen (17) involved awards or dismissal orders rendered in the North Region, nine (9) in the Central Region and two (2) in the South Region. No OTP awards were appealed. Thirty-two percent (32%) of appeals resulted in some form of modification. The following table reports the results.

	<b>IP - North</b>	<b>IP - Central</b>	<b>IP- South</b>	<b>OTP</b>	<b>Total</b>
Affirmed	11	8	0	N/A	19
Vacated	2	1	1	N/A	4
Modified	4	0	1	N/A	5
<b>TOTALS</b>	17	9	2	N/A	28

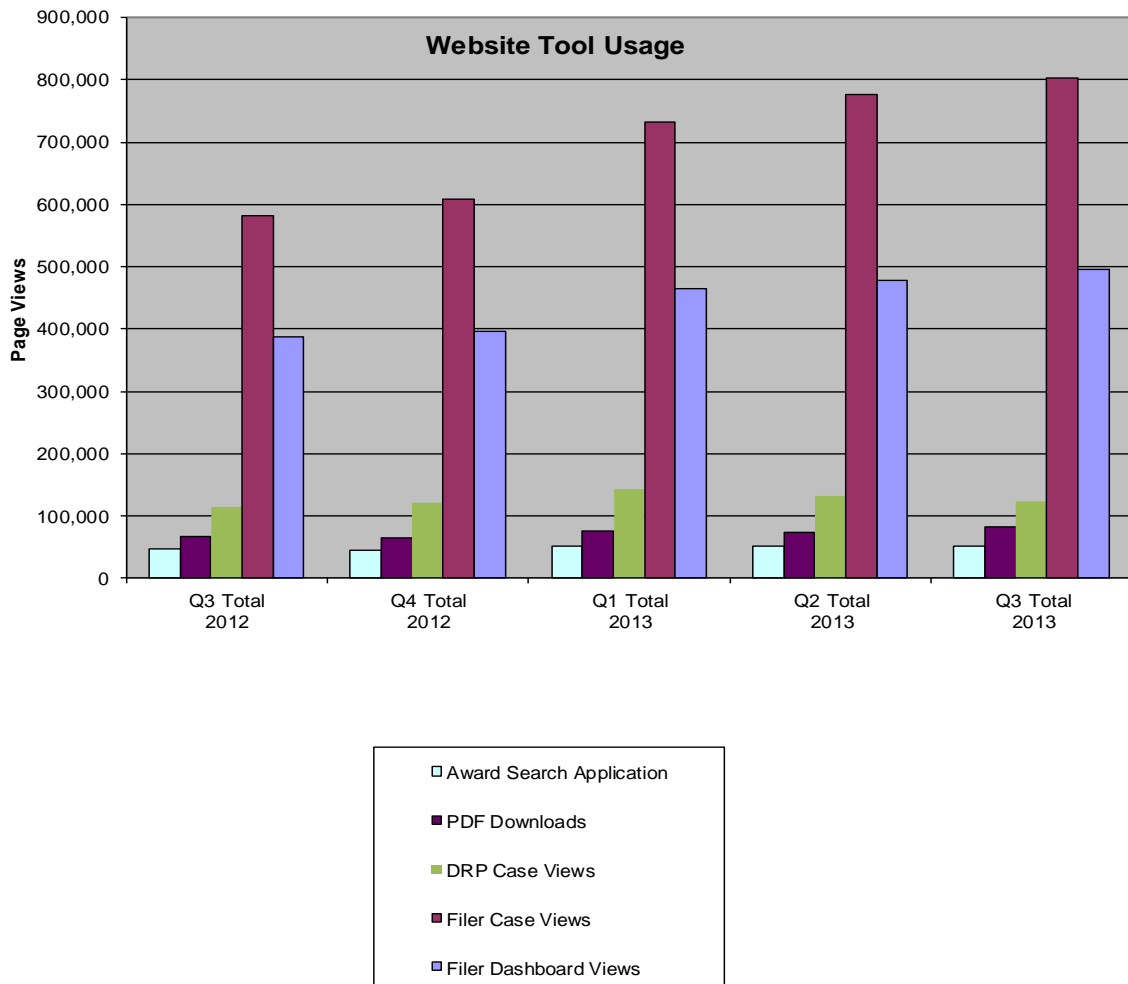
**MEDICAL REVIEW ORGANIZATION REPORT**

There are currently four 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”), Support Claim Services (“SCS”) and Rising Medical Solutions. Information relevant to MRO usage is outlined in the table below.

<b>MRO</b>	<b>Request By Party</b>	<b>Request By DRP</b>	<b>Total Requests</b>	<b>Request for Information</b>	<b>Report in 20 Business Days</b>	<b>Report After 20 Business Days</b>
<b>ExamWorks</b>	25	0	25	1	13	12
<b>FMCO</b>	23	0	23	3	7	16
<b>Rising Medical</b>	25	0	25	1	11	14
<b>SCS</b>	27	0	27	1	12	15
<b>TOTALS</b>	100	0	100	6	43	57

### 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](http://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 four calendar quarters.



## APPENDIX A

DRP	Region	IP Assigned	OTP Assigned	IP Settled/ Withdrawn	OTP Settled/ Withdrawn	IP Awarded/ Denied	OTP Awarded/ Denied
Aloi, Anthony M.	CENTRAL	219	62	82	42	54	2
Amendola, Francesca	NORTH	184	62	84	43	89	2
Andolino, Michael D.	CENTRAL	179	64	79	37	49	13
Annunziata, Maria	CENTRAL	201	55	83	34	53	2
Campbell, Jennifer M.	NORTH	187	50	63	36	78	2
Carnelli, Christopher M.	SOUTH	178	49	117	32	68	2
Carro, Sergio G.	NORTH	201	51	101	31	69	0
Caserta, Patrick J.	NORTH	207	46	93	30	85	4
Cassella, Deborah M.	NORTH	174	49	78	35	94	4
Celentano, Cynthia J.	NORTH	168	57	96	36	87	3
Croft, Douglas M.	NORTH	192	41	83	29	74	1
Damiano, Robert S.	NORTH	153	40	97	21	100	4
Daniskas, Maria I.	NORTH	192	41	100	30	76	1
de Cordova, Donald W.	NORTH	182	45	75	19	77	0
Della Badia, Joseph	NORTH	191	44	83	27	73	2
DeMarco, Jodi L.	NORTH	202	39	93	32	65	0
DeMarco, Joseph	NORTH	177	42	59	17	102	0
Eisele-Grabowski, Karen	SOUTH	147	58	108	32	56	4
Fabiano, Edward	NORTH	251	47	68	25	70	1
Fannan, John J.	CENTRAL	203	56	87	35	56	3
Fazio, Cataldo F.	NORTH	165	37	85	28	104	1
Foley, Patrick W.	CENTRAL	202	55	79	28	67	6
Ganzhorn, Lisa A.	NORTH	169	46	93	28	98	0
Garrabrandt, James H.	NORTH	168	41	92	32	94	2
Grabowski, David A.	SOUTH	168	47	101	21	50	2
Granato, S. Caroline	SOUTH	171	55	101	33	68	4
Hackett, Michael	NORTH	208	42	92	35	78	0
Hebron, Sylvia A	NORTH	149	44	91	20	123	4
Johnston, Maureen M.	NORTH	198	43	69	23	103	1
Kaczka, Thomas M.	NORTH	204	56	91	30	71	3
Karbasian, Carolyn K.	SOUTH	147	49	102	39	74	8
Keller, Grant W.	SOUTH	152	50	78	27	67	2
Kincade, Kathleen D.	CENTRAL	212	63	94	40	61	3
Knuetter, Margaret	NORTH	95	7	73	15	74	3
La Salle, Robert C.	NORTH	186	55	88	35	68	9
LaPorta Esq., David M.	NORTH	196	37	94	34	63	4
LaPorta, Phillip A.	NORTH	207	43	88	31	91	2
Lardiere, Andrea L	CENTRAL	160	56	81	40	83	1
Lesser, Gary T.	NORTH	179	39	101	33	121	1
McFadden (LI), Michael K.	SOUTH	15	0	9	0	4	0
McFadden, Michael K.	SOUTH	148	39	115	20	69	0
Miller, Matthew G.	NORTH	128	43	80	24	67	0
Mundy, Lisa D.	NORTH	197	54	106	37	76	5
Nardella, George C.	NORTH	182	43	75	29	79	4
Noonan, Scott M.	NORTH	192	50	69	31	77	0
O'Brien, Matthew J.	NORTH	183	50	94	34	98	0

Odell, Barry K.	CENTRAL	156	56	93	31	75	1
O'Donnel, Kenneth L.	NORTH	167	41	93	27	89	4
Patriaco, Andrew A.	NORTH	193	51	85	33	92	1
Pettersen, Nina L.	SOUTH	155	49	119	30	68	2
Reis, Karen M.	NORTH	199	45	81	30	114	4
Remington-Knodel, Jennifer	NORTH	161	50	104	26	75	4
Reynolds, William E.	SOUTH	165	44	72	32	89	1
Riva, Joseph J.	NORTH	205	37	79	27	97	5
Rivera, Barbara Brosnan	NORTH	450	15	19	2	0	0
Sacco, Russ	CENTRAL	192	58	56	30	69	9
Sproviero, Scott G.	NORTH	190	42	84	27	90	1
Stampone, Vincenzo	NORTH	196	53	83	31	90	5
Stokes, Nanci G.	NORTH	186	43	96	26	77	12
Tamburino, Joseph A.	NORTH	227	45	102	23	76	0
Wallen (NO), Kate R.	SOUTH	5	0	0	0	2	0
Wallen, Kate R.	SOUTH	149	49	103	38	69	7
Zimmerman, Richard T.	NORTH	177	44	101	28	79	2
Total		11,342	2,864	5,340	1,811	4,754	173

## Contact us

### Forthright

285 Davidson Avenue, Suite 502

Somerset, NJ 08873

732.271.6100

[www.nj-no-fault.com](http://www.nj-no-fault.com)



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