



NEW JERSEY DEPARTMENT OF
BANKING AND INSURANCE
QUARTERLY REPORT

No Fault PIP Arbitration
3rd Quarter 2016



FORTHRIGHT

3RD QUARTER 2016 REPORT

TO THE

NEW JERSEY DEPARTMENT OF BANKING AND INSURANCE

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EXECUTIVE SUMMARY

In the third quarter of 2016, 12,528 cases were initiated in the PIP dispute resolution program. Of these cases, 6,817 (54%) were initiated in the Northern region, 1,605 (13%) in the Central region, 1,758 (14%) in the Southern region, and 2,348 (19%) as OTP.

The DRP panel consisted of 65 members although one member was on a leave of absence for the quarter. The DRPs are regionally deployed as follows: 44 in the North, 10 in the Central, and 11 in the South. 11,256 cases were assigned to DRPs.

Of the pending cases in the PIP arbitration program, 13,288 were concluded during the third quarter by means of an award or denial of award (including appeals), pre-hearing dismissal of the case, settlement, or withdrawal. There were 1,233 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 \$4,659, comprised of \$3,816 for personal injury protection benefits and \$843 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-one appeals to panels of three DRPs were concluded during the reporting period. Eighteen involved awards or dismissal orders rendered in the North Region, two in the Central Region, and one in the South Region. No OTP awards were appealed. Fourteen percent of awards were vacated and modified.

During the reporting period, parties requested MRO reviews applicable to 28 cases. DRPs did not request any reviews. The requests were apportioned among the four certified MROs on a rotating basis.

CASES INITIATED

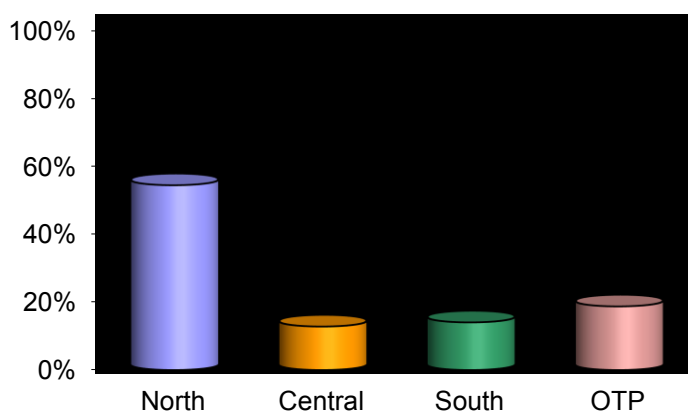
Cases are considered “filed” as of the date a Demand for Arbitration is received by Forthright. Case “initiation” occurs when an initiation letter is transmitted to the parties.

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 third quarter of 2016, 12,528 cases were initiated in the PIP dispute resolution program. Of these cases, 6,817 (54%) were initiated in the Northern region, 1,605 (13%) in the Central region, 1,758 (14%) in the Southern region, and 2,348 (19%) as OTP. See the table below for the monthly distribution.

	IP - North	IP - Central	IP - South	OTP	Total
July	2,126	510	462	816	3,914
August	2,495	569	650	769	4,483
September	2,196	526	646	763	4,131
Totals	6,817	1,605	1,758	2,348	12,528

Cases Initiated by Region and OTP



The following table summarizes the initiations for the first three quarters of 2016.

	IP - North	IP - Central	IP - South	OTP	Total
Q1 2016	7,078	1,637	1,591	2,338	12,644*
Q2 2016	7,066	1,802	1,641	2,416	12,925
Q3 2016	6,817	1,605	1,758	2,348	12,528

*The data for Q1 have been changed to correct an error in the reporting of initiations in the 2nd Quarterly report. We apologize for any inconvenience.

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, change of claim, and cases voluntarily filed as OTP, but the Respondent does not consent. 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 third quarter and the reason.

Consolidation	Policy Issues	Change of Claim	Voluntary OTP Filings	Total
211	17	53	36	317

DISPOSITION OF CASES IN THE PIP ARBITRATION PROGRAM

Of the pending cases in the PIP arbitration program, 13,288 were concluded during the third 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.

Disposition Type	IP - North	IP - Central	IP - South	OTP	Total
Awarded/Denied	3,220	787	760	685	5,452
Dismissed Pre-Hearing	9	7	0	0	16
Settled	3,649	933	881	1,297	6,760
Withdrawn	572	143	104	241	1,060
Total	7,450	1,870	1,745	2,223	13,288

* Pre-hearing dismissal is not an option for OTP cases.

DISPOSITION OF CASES BY PERCENTAGE

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

Disposition Type	IP - North	IP - Central	IP - South	OTP
Awarded/Denied	43%	42%	44%	31%
Dismissed Pre-Hearing	(<1%)	(<1%)	(<1%)	N/A
Settled	49%	50%	50%	58%
Withdrawn	8%	8%	6%	11%

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.

IP - North	IP - Central	IP - South	OTP	Total
703	217	269	44	1,233

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.

	IP - North	IP - Central	IP - South	OTP	Total
Settlements*	1,658	404	360	828	3,250

** 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

The DRP panel consisted of 65 members although one member was on a leave of absence for the quarter. The DRPs are regionally deployed as follows: 44 in the North, 10 in the Central, and 11 in the South. 11,256 cases were assigned to DRPs.

Caseload activity of DRPs is represented in Appendix A. The appendix distinguishes IP cases from OTP 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 three 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 10,899 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 third quarter of 2016 after the cases were assigned to DRPs. 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 three 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	IP - North	IP - Central	IP - South	IP - Total	OTP
Awarded/Denied	3,383	821	783	4,987	688
Dismissed by DRP	9	7	0	16	0
Settled	1,989	525	512	3,026	1,288
Withdrawn	442	116	95	653	241
Total	5,823	1,469	1,390	8,682	2,217

* Not applicable to OTP proceedings

REGIONAL AWARDS PERCENTAGE

A total of 5,675 awards were issued by DRPs concerning requests for emergent relief, standard relief, and fee disputes in both IP and OTP proceedings. Of the awards issued for IP cases (4,987), 68% were in the North region, 16% in the Central region, and 16% in the South region.

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

AWARDS AS A PERCENTAGE OF CLAIM AMOUNT

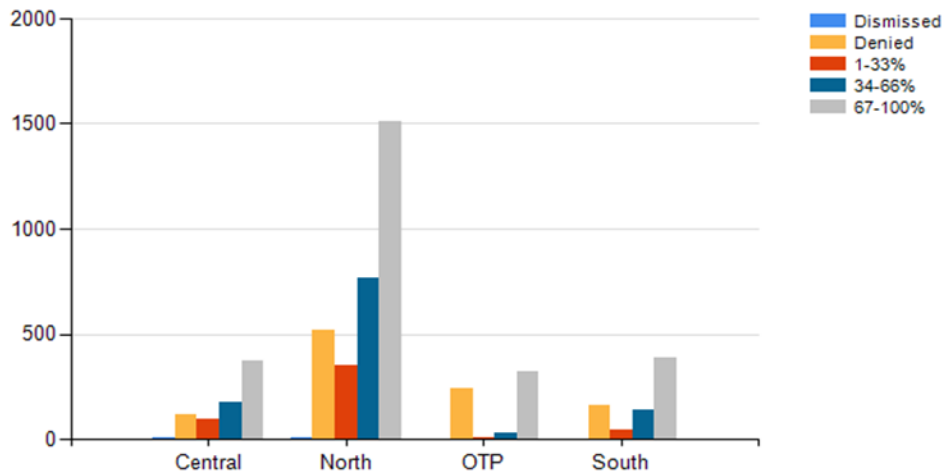
DRPs can deny a claim in its entirety or award all or part of an amount requested by a Claimant. For cases decided in the third quarter of 2016, the table and graph below indicate the distribution of DRP total awarded amounts, from 0% (denied/dismissed) to 100% of claimed amounts. Total awarded amounts 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.

	Dismissed	Denied	1-33%	34-66%	67-100%	Total
IP - Central	7	114	98	178	363	760
IP - North	9	515	353	764	1,492	3,133
IP - South	0	159	40	141	391	731
OTP	0*	239	2	33	292	566
Total	16	1,027	493	1,116	2,538	5,190

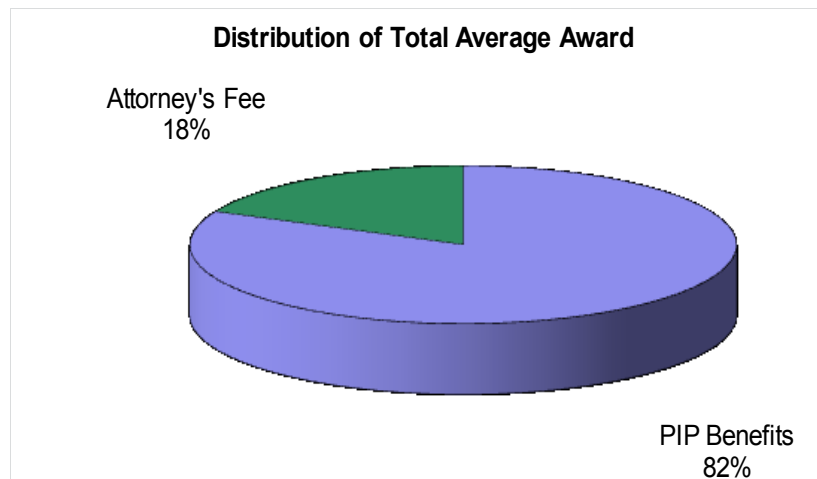
* Not applicable to OTP proceedings

Note: The award data in this section excludes appellate awards.



PIP BENEFITS AND ATTORNEY’S FEES COMPARISON

System-wide, the average amount awarded in arbitration (excluding filing fees) was \$4,659, comprised of \$3,816 for personal injury protection benefits and \$843 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 \$3,816* per case. Awarded amounts ranged from \$0 to \$212,990. The median award during the reporting period was \$1,124. Note that the calculation of the average and median includes cases in which the amount awarded was \$0.

The average amount awarded for attorney’s fees was \$843 per case. Awarded attorney’s fees ranged from \$0 to \$8,500. The median attorney’s fee award during the reporting period was \$1,000. Note that the calculation of the average and median attorney’s fee includes cases in which the amount awarded was \$0.

	Average	Dollar Range	Median
PIP Benefits' Award	\$3,816*	\$0 to \$212,990	\$1,124
Attorney's Fee Award	\$843	\$0 to \$8,500	\$1,000

* 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-one appeals to panels of three DRPs were concluded during the reporting period. Eighteen involved awards or dismissal orders rendered in the North Region, two in the Central Region, and one in the South Region. No OTP awards were appealed. Fourteen percent of awards were vacated and modified. The following table reports the results.

	IP - North	IP - Central	IP- South	OTP	Total
Affirmed	16	1	1	0	18
Vacated & Modified	2	1	0	0	3
TOTALS	18	2	1	0	21

MEDICAL REVIEW ORGANIZATION REPORT

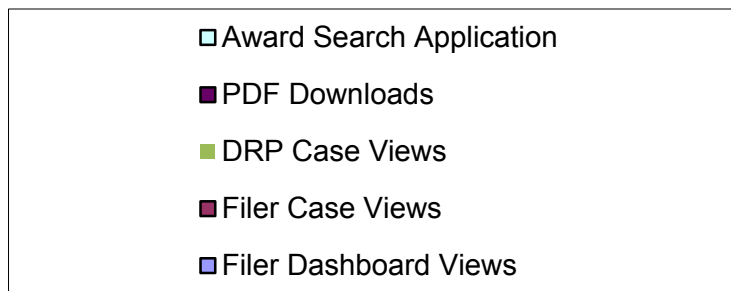
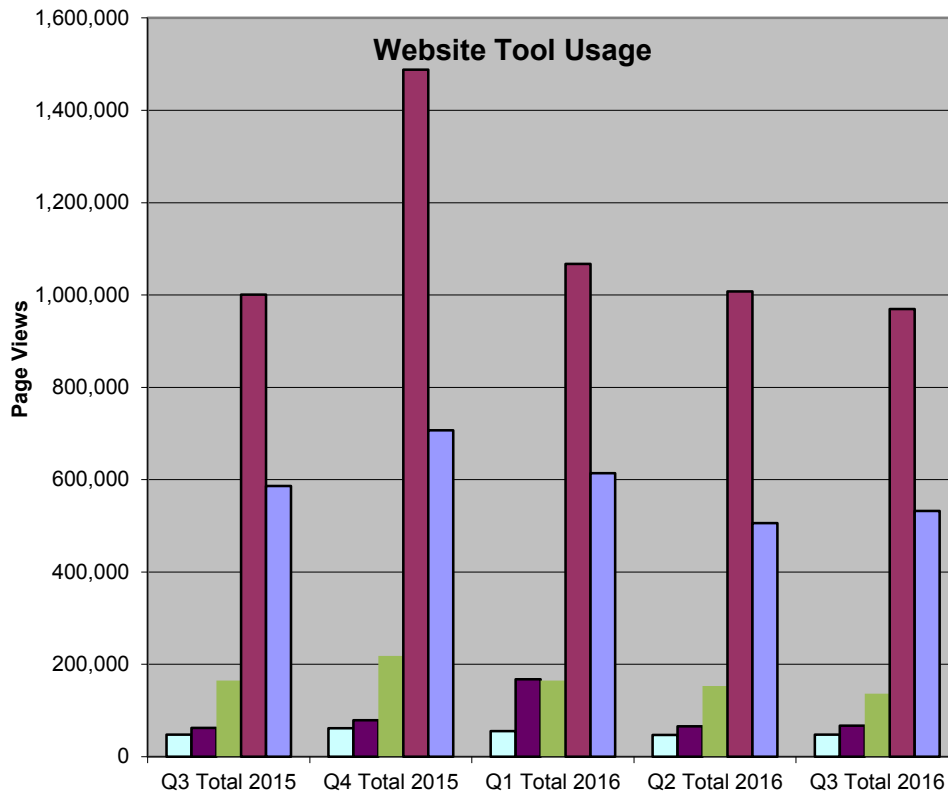
There are currently four Medical Review Organizations ("MRO") certified by the Department of Banking and Insurance. They are ExamWorks, formerly known as CFO Medical Services, First Managed Care Option ("FMCO"), Support Claim Services ("SCS"), and Rising Medical Solutions. Information relevant to MRO usage is outlined in the table below.

MRO	Request By Party	Request By DRP	Total Requests	Request for Information	Report in 20 Business Days	Report After 20 Business Days
ExamWorks	11	0	11	0	11	0
FMCO	4	0	4	0	4	0
Rising Medical	9	0	9	1	9	0
SCS	4	0	4	0	4	0
TOTALS	28	0	28	1	28	0

Note that MRO requests are reported by case. If a request pertains to consolidated cases, it is counted for each case.

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 redesigned 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.



APPENDIX A

DRP	Region	IP Assigned	OTP Assigned	IP Settled/ Withdrawn	OTP Settled/ Withdrawn	IP Awarded/ Denied	OTP Awarded/ Denied	In Person Proceedings
Aloi, Anthony M.	CENTRAL	190	27	62	13	60	7	76
Amendola, Francesca	NORTH	0	0	4	0	0	0	0
Andolino, Michael D.	NORTH	200	23	69	20	86	5	87
Annunziata, Maria	CENTRAL	137	43	62	29	78	3	82
Barry, Martin M.	CENTRAL	158	41	76	33	62	15	114
Campbell, Jennifer M.	NORTH	147	51	49	26	88	19	100
Carnelli, Christopher M.	SOUTH	102	51	64	42	74	17	85
Caserta, Patrick J.	NORTH	139	44	51	24	72	12	116
Cassella, Deborah M.	NORTH	131	53	30	30	87	10	95
Celentano, Cynthia J.	NORTH	183	25	73	18	84	8	87
Croft, Douglas M.	NORTH	175	26	75	15	91	6	104
Damiano, Robert S.	NORTH	132	26	64	23	91	11	103
Daniskas, Maria I.	NORTH	123	50	59	27	74	14	94
Della Badia, Joseph	NORTH	143	18	56	13	111	3	102
DeMarco, Jodi L.	NORTH	139	36	48	20	105	9	110
DeMarco, Joseph	NORTH	115	37	58	30	72	13	116
Ducey, John G.	CENTRAL	145	32	71	21	74	4	88
Eisele-Grabowski, Karen	SOUTH	133	52	55	35	68	12	103
Fabiano, Edward	NORTH	155	48	66	24	51	17	68
Fannan, John J.	CENTRAL	108	26	68	10	68	5	75
Fazio, Cataldo F.	NORTH	206	52	80	33	95	7	93
Finiello, Susanne N.	SOUTH	114	27	67	23	60	13	94
Foley, Patrick W.	CENTRAL	145	29	55	18	103	4	114
Frankland, Suzanne J.	NORTH	144	33	35	24	83	8	114
Ganzhorn, Lisa A.	NORTH	136	52	81	28	86	15	89
Garrabrandt, James H.	NORTH	113	38	69	23	78	14	120
Grabowski, David A.	SOUTH	156	22	72	15	60	6	93
Granato, S. Caroline	SOUTH	127	49	58	26	51	14	70
Hackett, Michael	NORTH	115	32	48	25	74	10	95
Hebron, Sylvia A	NORTH	146	43	59	28	108	5	121
Johnston, Maureen M.	NORTH	110	17	68	15	70	4	67
Kaczka, Thomas M.	NORTH	170	44	64	31	66	9	87
Kaiser, Brian K.	NORTH	155	38	53	27	71	15	88
Karbasian, Carolyn K.	SOUTH	148	26	42	12	75	11	79
Keller, Grant W.	SOUTH	123	49	53	41	89	14	88
Kincade, Kathleen D.	CENTRAL	150	21	67	12	77	8	92
La Salle, Robert C.	NORTH	165	32	66	20	48	8	66
LaPorta Esq., David M.	NORTH	113	39	28	27	84	14	88

LaPorta, Phillip A.	NORTH	152	31	66	25	65	6	87
Lardiere, Andrea L.	CENTRAL	134	42	75	25	81	9	87
Lesser, Gary T.	NORTH	132	46	53	27	95	15	118
McFadden, Michael K.	SOUTH	155	17	50	13	64	13	86
Miller, Matthew G.	NORTH	165	34	63	22	73	9	75
Mundy, Lisa D.	NORTH	129	41	58	20	104	13	107
Nardella, George C.	NORTH	101	48	41	33	61	10	105
Noonan, Scott M.	NORTH	163	32	53	20	71	10	91
O'Brien, Matthew J.	NORTH	135	36	54	27	81	17	109
Odell, Barry K.	CENTRAL	125	26	77	17	88	11	100
O'Donnel, Kenneth L.	NORTH	144	18	52	18	82	7	102
Patriaco, Andrew A.	NORTH	124	40	58	21	81	12	110
Pettersen, Nina L.	SOUTH	104	43	64	26	91	11	82
Reis, Karen M.	NORTH	124	49	43	30	80	15	101
Remington-Knodel, Jennifer	NORTH	157	45	50	31	73	8	84
Reynolds, William E.	SOUTH	118	51	51	23	77	18	75
Riva, Joseph J.	NORTH	139	59	43	37	43	12	73
Rivera, Barbara Brosnan	NORTH	122	35	51	29	87	7	94
Sacco, Russ	NORTH	136	44	54	28	111	17	110
Sproviero, Scott G.	NORTH	137	27	46	19	81	6	81
Stampone, Vincenzo	NORTH	132	40	47	27	70	15	102
Stokes, Nanci G.	NORTH	139	40	47	30	88	17	126
Tamburino, Joseph A.	NORTH	137	44	37	30	52	9	64
Tarrant, Tara D.	NORTH	141	29	37	21	87	12	122
Voorhees, Gregory X.	CENTRAL	150	32	65	20	93	13	109
Wallen, Kate R.	SOUTH	106	27	63	18	73	16	94
Zimmerman, Richard T.	NORTH	118	18	55	11	61	11	85
Total		8,910	2,346	3,678	1,529	4,987	688	6,042

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