



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

No Fault PIP Arbitration  
**4th Quarter 2012**



**FORTHRIGHT**

**4<sup>TH</sup> QUARTER 2012 REPORT**

**TO THE**

**NEW JERSEY DEPARTMENT OF BANKING AND INSURANCE**

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## EXECUTIVE SUMMARY

In the 4<sup>th</sup> quarter of 2012, 12,604 cases were initiated in the PIP ADR program. Of these cases, 8,563 (68%) originated in the Northern region, 1,794 (14%) in the Central region, and 2,247 (18%) in the Southern region.

During the quarter, the DRP panel consisted of 58 members (Appendix A lists 60 DRPs because of pre-assignment of cases for 2 new DRPs, who are scheduled to begin in January 2013). The DRPs were regionally deployed as follows: 39 in the North; 9 in the Central; 10 in the South. 11,259 cases were assigned to DRPs.

Of the pending cases in the PIP arbitration program, 13,744 were concluded during the 4<sup>th</sup> quarter by means of an award or denial of award (including appeals), pre-hearing dismissal of the case, settlement, or withdrawal. There were 722 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 \$4,436, comprised of \$3,632 for personal injury protection benefits and \$804 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. Thirteen (13) involved awards or dismissal orders rendered in the North Region, four (4) in the Central Region and none in the South Region. Forty-one percent (41%) of appeals resulted in some form of modification.

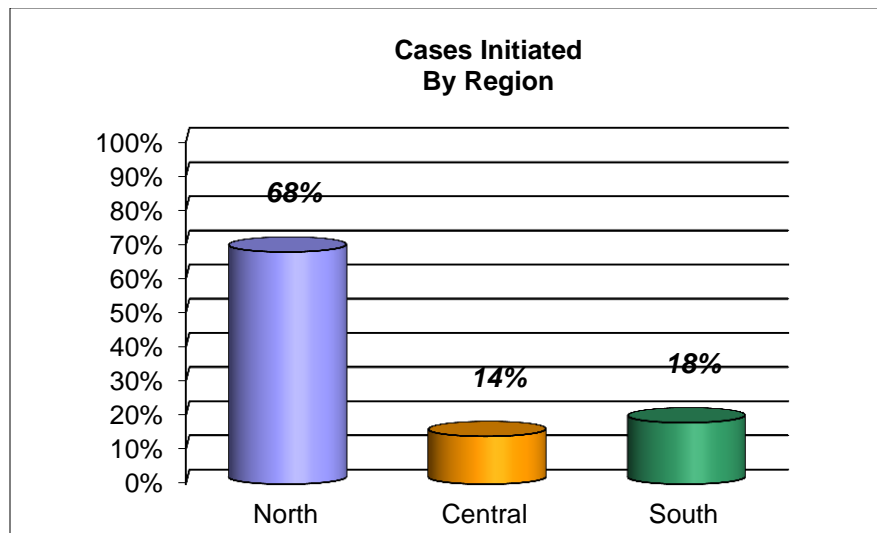
During the reporting period, parties requested 140 Medical Review Organization (MRO) reviews. DRPs did not request any reviews. The requests were apportioned among the three current MROs on a rotating basis.

**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 4<sup>th</sup> quarter of 2012, 12,604 cases were initiated in the PIP ADR program. Of these cases, 8,563 (68%) originated in the Northern region 1,794 (14%) in the Central region, and 2,247 (18%) in the Southern region. See the table below for the monthly distribution.

	<b>North</b>	<b>Central</b>	<b>South</b>	<b>Total</b>
October	2786	620	765	4171
November	2959	558	731	4248
December	2818	616	751	4185
Region Total	8563	1794	2247	12604
Region Percent	68%	14%	18%	100%



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

	<b>North</b>	<b>Central</b>	<b>South</b>	<b>Total</b>
1st Quarter 2012	9797	2046	2789	14632
2 <sup>nd</sup> Quarter 2012	9127	1918	2345	13390
3 <sup>rd</sup> Quarter 2012	8737	1972	2432	13141
4 <sup>th</sup> Quarter 2012	8563	1794	2247	12604

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

Of the pending cases in the PIP arbitration program, 13,744 were concluded during the 4<sup>th</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 geographic regions.

<b>Disposition Type</b>	<b>North</b>	<b>Central</b>	<b>South</b>	<b>Total</b>
Awarded/Denied	3546	655	671	4872
Dismissed Pre-Hearing	15	3	8	26
Settled	5038	1073	1495	7606
Withdrawn	1000	108	132	1240
<b>Total</b>	<b>9599</b>	<b>1839</b>	<b>2306</b>	<b>13744</b>

**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.

<b>Disposition Type</b>	<b>North</b>	<b>Central</b>	<b>South</b>
Awarded/Denied	37%	36%	29%
Dismissed Pre-Hearing	<1%	<1%	<1%
Settled	53%	58%	65%
Withdrawn	10%	6%	6%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## 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.

<b>Geographic Regions</b>	<b>North</b>	<b>Central</b>	<b>South</b>	<b>Total</b>
Region Total	503	118	101	722
Region Percent	70%	16%	14%	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.

<b>Geographic Regions</b>	<b>North</b>	<b>Central</b>	<b>South</b>	<b>System-Wide</b>
Region Settlements	1697	401	518	2616

\*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 58 members (Appendix A lists 60 DRPs because of pre-assignment of cases for 2 new DRPs, who are scheduled to begin in January, 2013). The DRPs were regionally deployed as follows: 39 in the North; 9 in the Central; 10 in the South. 11,259 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 10,925 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 4<sup>th</sup> quarter of 2012 after the cases were assigned to the DRP for hearing.

<b>Disposition</b>	<b>North</b>	<b>Central</b>	<b>South</b>	<b>Total</b>	<b>System-Wide Percentage</b>
Awarded/Denied	3546	655	671	4872	45%
Dismissed by DRP	15	3	8	26	<1%
Settled	3299	658	959	4916	45%
Withdrawn	900	91	120	1111	10%
<b>Total</b>	<b>7760</b>	<b>1407</b>	<b>1758</b>	<b>10925</b>	<b>100%</b>

## REGIONAL AWARDS' PERCENTAGE

As shown above, a total of 4,872 awards were issued by DRPs concerning requests for expedited relief, standard relief, fee disputes, and appeals. Of the awards issued, 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).

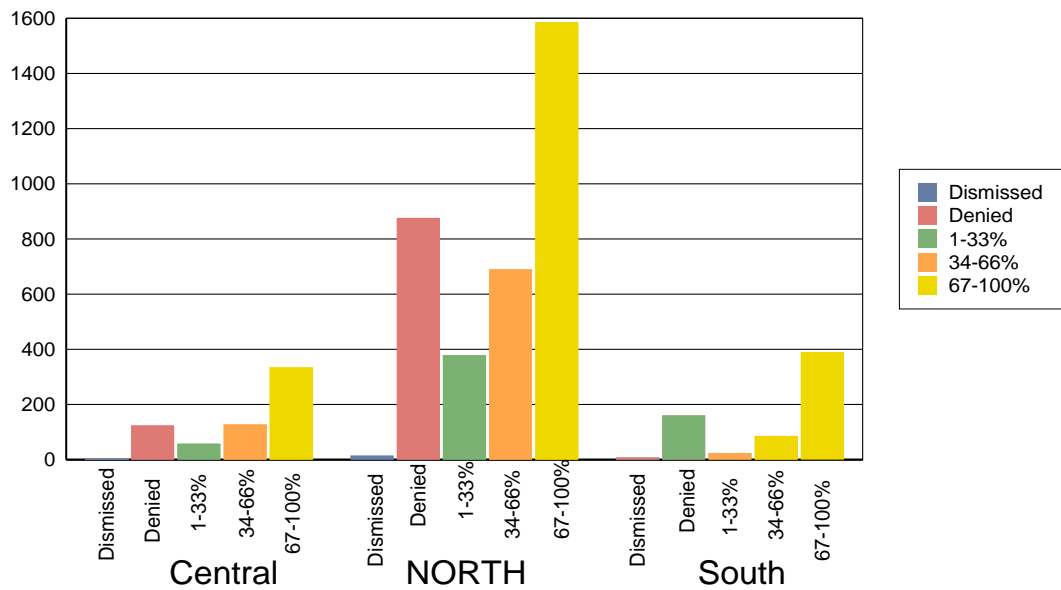
## AWARDS AS A PERCENTAGE OF CLAIM AMOUNT

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 4<sup>th</sup> 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.



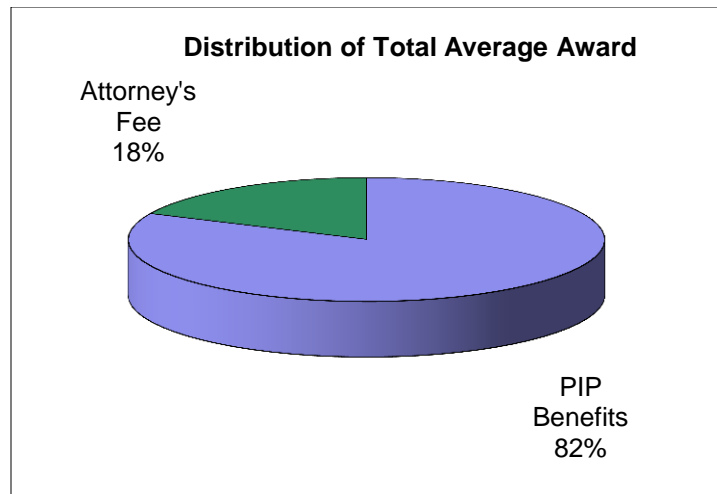
<b>Region</b>	<b>Dismissed</b>	<b>Denied</b>	<b>1-33%</b>	<b>34-66%</b>	<b>67-100%</b>	<b>Total</b>
Central	3	124	58	128	334	647
North	15	876	379	690	1585	3545
South	8	160	24	86	390	668
<b>Total</b>	<b>26</b>	<b>1160</b>	<b>461</b>	<b>904</b>	<b>2309</b>	<b>4860</b>



\*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 \$4,436, comprised of \$3,632 for personal injury protection benefits and \$804 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 \$3,632\* per case. Awarded amounts ranged from \$0 to \$506,781. The median award during the reporting period was \$985.

The average amount awarded for attorney’s fees was \$804 per case. Awarded attorney’s fees ranged from \$0 to \$7,500. 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	\$3632*	\$0 to \$506,781	\$985
Attorney’s Fee Award	\$804	\$0 to \$7,500	\$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**

Seventeen (17) appeals to panels of 3 DRPs were concluded during the reporting period. Thirteen (13) involved awards or dismissal orders rendered in the North Region, four (4) in the Central Region and none in the South Region. Forty-one percent (41%) of appeals resulted in some form of modification. The following table reports the results.

	<b>North</b>	<b>Central</b>	<b>South</b>	<b>Total</b>
Affirmed	6	4	0	10
Vacated	3	0	0	3
Modified	4	0	0	4
<b>TOTALS</b>	<b>13</b>	<b>4</b>	<b>0</b>	<b>17</b>

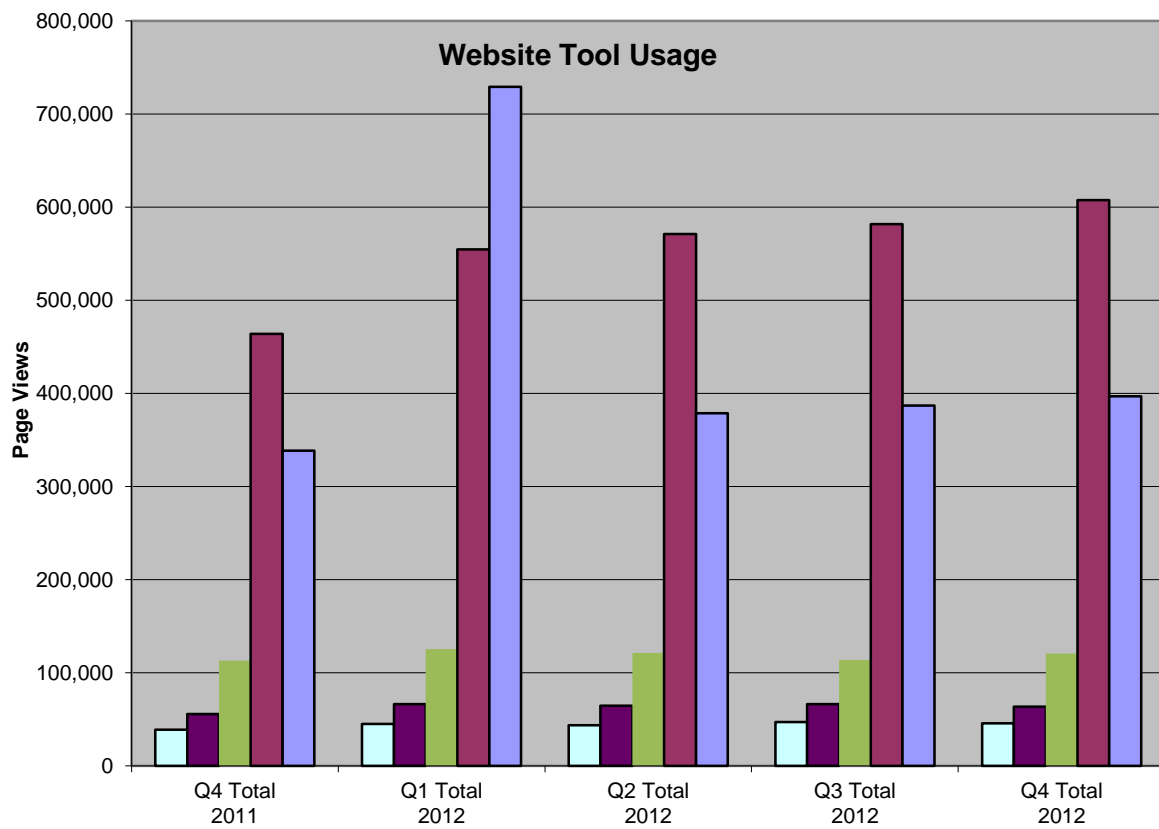
### MEDICAL REVIEW ORGANIZATION REPORT

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.

<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>	49	0	49	1	23	26
<b>FMCO</b>	47	0	47	1	19	28
<b>SCS</b>	44	0	44	0	17	27
<b>TOTALS</b>	<b>140</b>	<b>0</b>	<b>140</b>	<b>2</b>	<b>59</b>	<b>81</b>

### 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 five calendar quarters.



**2012 Q4 Highlights**

Despite the significant disruptions caused by Storm Sandy, online case management remained robust and showed increased usage of:

- Filer Dashboard Views
- Filer Case Views
- DRP Case Views

- Award Search Application
- PDF Downloads
- DRP Case Views
- Filer Case Views
- Filer Dashboard Views

**APPENDIX A**

<b>DRP</b>	<b>Region</b>	<b>Assigned</b>	<b>Closed</b>	<b>Awarded/ Denied</b>	<b>Hearings</b>
Aloi, Anthony M.	CENTRAL	167	192	75	76
Amendola, Francesca	NORTH	113	207	101	90
Andolino, Michael D.	CENTRAL	166	203	88	72
Annunziata, Maria	CENTRAL	157	192	93	68
Campbell, Jennifer M.	NORTH	141	199	81	106
Carnelli, Christopher M.	SOUTH	83	180	74	72
Carro, Sergio G.	NORTH	160	210	116	91
Caserta, Patrick J.	NORTH	119	196	92	78
Cassella, Deborah M.	NORTH	119	194	87	101
Celentano, Cynthia J.	NORTH	122	206	101	105
Croft, Douglas M.	NORTH	151	226	108	95
Damiano, Robert S.	NORTH	119	216	107	101
Daniskas, Maria I.	NORTH	122	205	97	92
de Cordova, Donald W.	NORTH	116	207	107	95
Della Badia, Joseph	NORTH	178	205	57	55
DeMarco, Jodi L.	NORTH	394	23	0	0
DeMarco, Joseph	NORTH	159	178	89	96
Eisele-Grabowski, Karen	SOUTH	88	198	89	68
Fabiano, Edward	NORTH	127	244	127	114
Fannan, John J.	CENTRAL	119	186	81	75
Fazio, Cataldo F.	NORTH	111	195	100	94
Foley, Patrick W.	CENTRAL	164	151	69	73
Ganzhorn, Lisa A.	NORTH	127	216	98	82
Garrabrandt, James H.	NORTH	158	191	86	73
Grabowski, David A.	SOUTH	87	191	89	80
Granato, S. Caroline	SOUTH	94	204	90	88
Hackett, Michael	NORTH	160	217	101	91
Hebron, Sylvia A	NORTH	197	195	85	83
Johnston, Maureen M.	NORTH	132	192	94	98
Kaczka, Thomas M.	NORTH	135	191	100	93
Karbasian, Carolyn K.	SOUTH	85	185	77	81
Keller, Grant W.	SOUTH	73	198	66	69
Kincade, Kathleen D.	CENTRAL	182	166	54	62
Knuetter, Margaret	NORTH	182	208	106	87
La Salle, Robert C.	NORTH	135	220	96	87
LaPorta, David M.	NORTH	404	23	0	0
LaPorta, Phillip A.	NORTH	117	212	116	92
Lardiere, Andrea L	CENTRAL	100	150	87	80
Lesser, Gary T.	NORTH	150	197	99	81
McFadden (LI), Michael K.	SOUTH	8	17	10	8
McFadden, Michael K.	SOUTH	75	170	72	57
Miller, Matthew G.	NORTH	150	200	91	107
Mundy, Lisa D.	NORTH	855	215	12	21
Nardella, George C.	NORTH	674	176	16	42
Noonan, Scott M.	NORTH	126	187	76	78
O'Brien, Matthew J.	NORTH	122	208	121	122
Odell, Barry K.	CENTRAL	137	148	65	63
O'Donnel, Kenneth L.	NORTH	200	185	25	67
Patriaco, Andrew A.	NORTH	116	205	111	94

Pettersen, Nina L.	SOUTH	579	102	0	16
Reis, Karen M.	NORTH	112	176	76	113
Remington-Knodel, Jennifer	NORTH	137	223	120	84
Reynolds, William E.	SOUTH	469	133	12	37
Riva, Joseph J.	NORTH	144	197	87	78
Sacco, Russ	CENTRAL	131	148	67	78
Sproviero, Scott G.	NORTH	140	223	118	110
Stampone, Vincenzo	NORTH	162	201	97	81
Stokes, Nanci G.	NORTH	147	183	92	80
Tamburino, Joseph A.	NORTH	109	224	122	97
Wallen (NO), Kate R.	SOUTH	3	5	1	3
Wallen, Kate R.	SOUTH	97	186	67	76
Zimmerman, Richard T.	NORTH	166	183	92	68
Total		10,572	11,264	4,933	4724

## 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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