



NEW JERSEY DEPARTMENT OF
BANKING AND INSURANCE
QUARTERLY REPORT

No Fault PIP Arbitration
3rd Quarter 2018



FORTHRIGHT

3ND QUARTER 2018 REPORT

TO THE

NEW JERSEY DEPARTMENT OF BANKING AND INSURANCE

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EXECUTIVE SUMMARY

In the third quarter of 2018, 13,178 cases were initiated in the PIP dispute resolution program. Of these cases, 7,163 (54%) were initiated in the Northern region, 1,231 (9%) in the Central region, 2,266 (17%) in the Southern region, and 2,518 (19%) as OTP.

The DRP panel consisted of 62 members. The DRPs were regionally deployed as follows: 41 in the North, 10 in the Central, and 11 in the South. One DRP is currently on a leave of absence. In this quarter, 12,202 cases were assigned to DRPs. One DRP in the North region resigned effective September 19, 2019. During this quarter, the process of regional reassignment of two DRPs began, to be completed on November 5, 2018.

Of the pending cases in the PIP arbitration program, 13,215 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 890 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 \$5,672, comprised of \$4,842 for personal injury protection benefits and \$830 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.

Nineteen appeals to panels of three DRPs were concluded during the reporting period. Sixteen involved awards or dismissal orders rendered in the North Region, two in the Central Region, and none in the South Region. One OTP award was appealed. Forty-two percent of awards appealed were vacated or modified.

During the reporting period, nineteen MRO reviews were provided at the request of a party. DRPs did not request any reviews. The requests were apportioned among the four certified MROs on a rotating basis.

This quarterly report contains a new analysis introduced in the third quarterly report of 2017 for Aging of Cases by Type of Proceeding, In-Person or On-The-Papers, and by DRP, described at page 6 and attached as Appendix B.

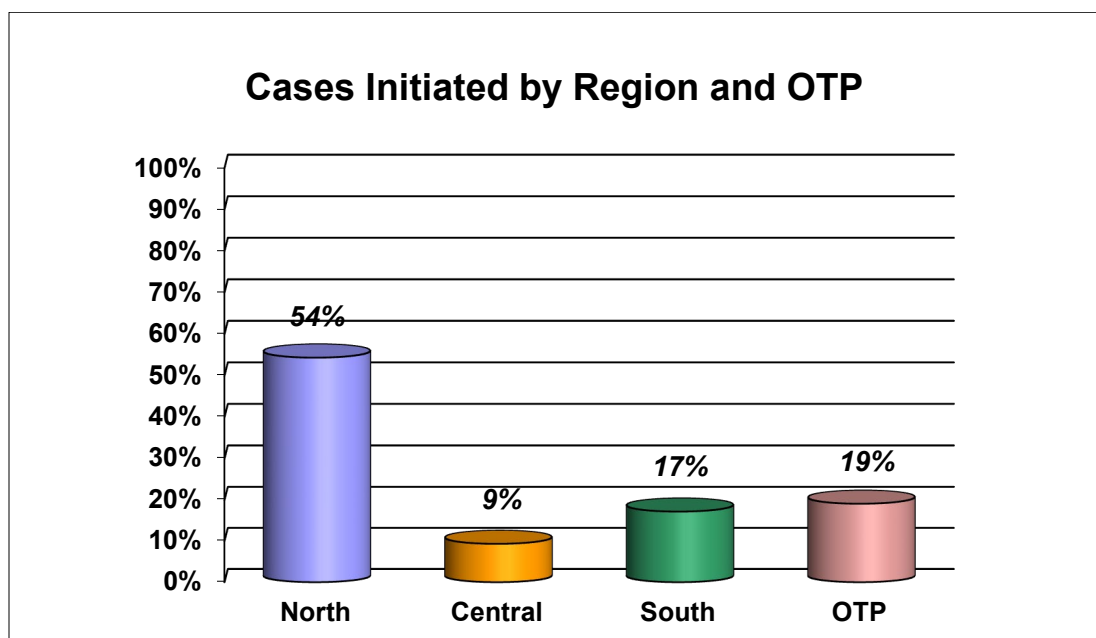
CASES INITIATED

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 2018, 13,178 cases were initiated in the PIP dispute resolution program. Of these cases, 7,163 (54%) were initiated in the Northern region, 1,231 (9%) in the Central region, 2,266 (17%) in the Southern region, and 2,518 (19%) as OTP. See the table below for the monthly distribution.

	IP - North	IP - Central	IP - South	OTP	Total
July	2,403	438	840	834	4,515
August	2,580	430	790	875	4,675
September	2,180	363	636	809	3,988
Totals	7,163	1,231	2,266	2,518	13,178



The following table summarizes the initiations for the quarters of 2018.

	IP - North	IP - Central	IP - South	OTP	Total
Q1 2018	6,725	1,640	2,135	2,512	13,012
Q2 2018	7,211	1,573	2,063	2,744	13,591
Q3 2018	7,163	1,231	2,266	2,518	13,178

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
323	24	90	37	474

DISPOSITION OF CASES IN THE PIP ARBITRATION PROGRAM

Of the pending cases in the PIP arbitration program, 13,215 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	2,754	571	676	683	4,684
Dismissed Pre-Hearing	12	3	3	0	18
Settled	3,751	848	1,400	1,526	7,525
Withdrawn	491	93	120	284	988
Total	7,008	1,515	2,199	2,493	13,215

* 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	39%	38%	31%	28%
Dismissed Pre-Hearing	(<1%)	(<1%)	(<1%)	N/A
Settled	54%	56%	64%	61%
Withdrawn	7%	6%	5%	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
521	79	185	105	890

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*	1,991	315	638	1,023	3,967

** 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 62 members. The DRPs were regionally deployed as follows: 41 in the North, 10 in the Central, and 11 in the South. One DRP is currently on a leave of absence. In this quarter, 12,202 cases were assigned to DRPs. One DRP in the North region resigned effective September 19, 2019. During this quarter, the process of regional reassignment of two DRPs began, to be completed on November 5, 2018.

Caseload activity of DRPs is represented in Appendix A. This table 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 10,282 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 2018 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	2,876	589	689	4,154	686
Dismissed by DRP	12	3	3	18	0*
Settled	1,795	533	757	3,085	1,519
Withdrawn	353	81	103	537	283
Total	5,036	1,206	1,552	7,794	2,488

* Not applicable to OTP proceedings

AGING OF CASES BY TYPE OF PROCEEDING, IN-PERSON OR ON-THE-PAPERS, AND BY DRP

The average age (counted by calendar days) of active pending cases at the end of the third quarter of 2018 by DRP is represented in Appendix B but excludes cases that were put in abeyance by the parties or stayed by court action. Please note that consolidations, late MRO requests and postponements are factors that lengthen disposition timelines.

REGIONAL AWARDS PERCENTAGE

A total of 4,368 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 (3,814), 69% were in the North region, 14% in the Central region, and 17% 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

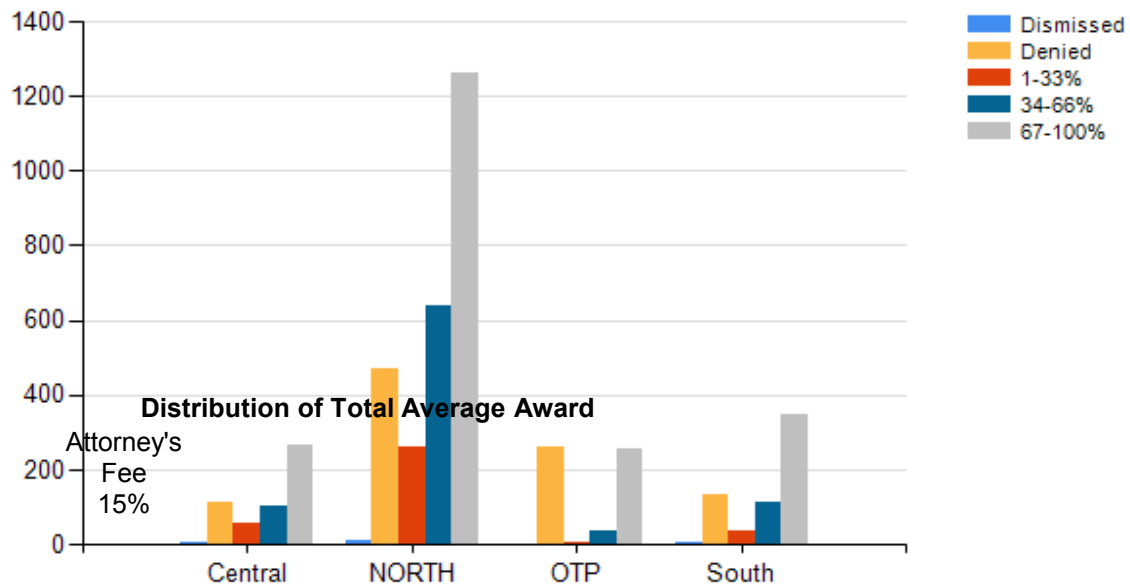
DRPs can deny a claim in its entirety or award all or part of an amount requested by a Claimant. For cases decided in the third quarter of 2018, the table and graph below indicate the distribution of DRP total awarded amounts, from 0% (denied/dismissed) to 100% of claimed amounts. Total awarded amounts 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	3	114	56	104	264	541
IP - North	12	468	262	639	1,260	2,641
IP - South	3	134	34	111	350	632
OTP	0*	260	1	38	255	554
Total	18	976	353	892	2,129	4,368

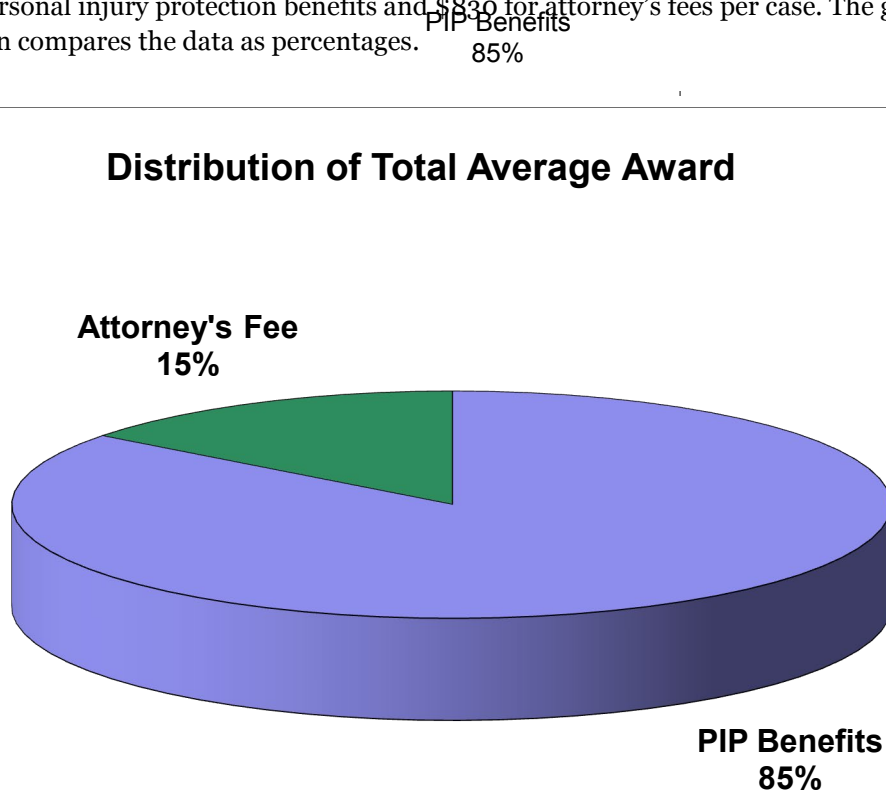
* Not applicable to OTP proceedings.

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 \$5,672, comprised of \$4,842 for personal injury protection benefits and \$830 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 \$4,842* per case. Awarded amounts ranged from \$0 to \$383,247. The median award during the reporting period was \$1,038. 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 \$830 per case. Awarded attorney's fees ranged from \$0 to \$6,000. 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	\$4,842*	\$0 to \$383,247	\$1,038
Attorney's Fee Award	\$830	\$0 to \$6,000	\$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

Nineteen appeals to panels of three DRPs were concluded during the reporting period. Sixteen involved awards or dismissal orders rendered in the North Region, two in the Central Region, and none in the South Region. One OTP award was appealed. Forty-two percent of awards appealed were vacated or modified. The following table reports the results.

	IP - North	IP - Central	IP- South	OTP	Total
Affirmed	8	2	0	1	11
Vacated & Corrected	5	0	0	0	5
Modified	2	0	0	0	2
Remanded	1	0	0	0	1
Total	16	2	0	1	19

MEDICAL REVIEW ORGANIZATION REPORT

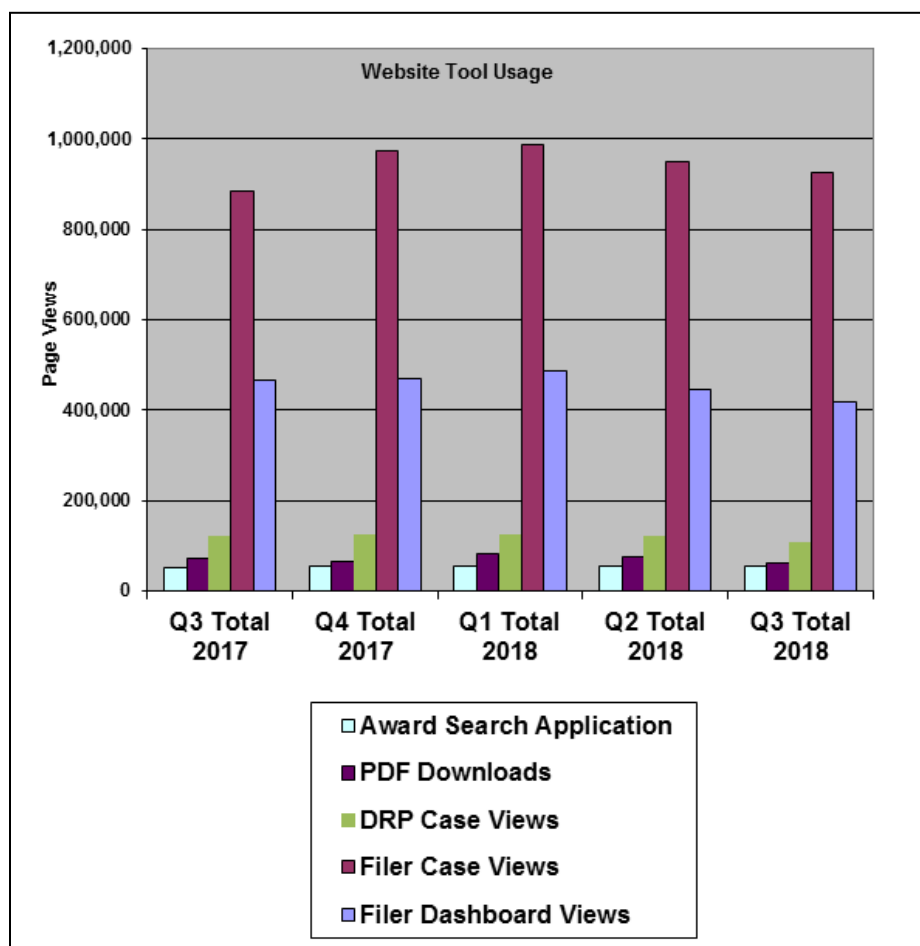
There are currently four Medical Review Organizations ("MRO") certified by the Department of Banking and Insurance. They are ExamWorks (formerly known as CFO Medical Services), First Managed Care Option ("FMCO"), Rising Medical Solutions and Support Claim Services ("SCS"). Information relevant to MRO 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	6	0	6	0	3	0
FMCO	3	0	3	0	3	0
Rising Medical	5	0	5	0	5	0
SCS	5	0	5	0	5	0
Total	19	0	19	0	16	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

	Region	IP Assigned	OTP Assigned	IP Settled/ Withdrawn	OTP Settled/ Withdrawn	IP Awarded/ Denied	OTP Awarded/ Denied	In-Person Proceedings
Aloi, Anthony M.	CENTRAL	156	43	75	21	60	6	82
Andolino, Michael D.	NORTH	175	37	48	27	78	6	78
Annunziata, Maria	CENTRAL	156	47	75	23	76	11	102
Barry, Martin M.	CENTRAL	149	40	80	33	67	12	90
Campbell, Jennifer M.	NORTH	330	90	47	27	53	9	75
Carnelli, Christopher M.	SOUTH	159	49	74	37	65	14	93
Caserta, Patrick J.	NORTH	166	40	53	30	72	18	96
Cassella, Deborah M.	NORTH	129	58	36	39	52	8	59
Celentano, Cynthia J.	NORTH	158	26	36	26	98	8	103
Croft, Douglas M.	NORTH	159	35	42	24	71	16	77
Damiano, Robert S.	NORTH	184	34	72	24	74	17	84
Daniskas, Maria I.	NORTH	128	53	36	32	65	15	74
Della Badia, Joseph	NORTH	122	37	67	27	85	5	69
DeMarco, Jodi L.	NORTH	126	50	54	27	86	12	92
DeMarco, Joseph	NORTH	104	12	28	17	75	6	33
Ducey, John G.	CENTRAL	145	41	74	33	84	10	89
Eisele-Grabowski, Karen	SOUTH	188	60	72	43	45	10	74
Fabiano, Edward	NORTH	175	58	41	40	67	11	79
Fannan, John J.	CENTRAL	14	0	2	0	12	0	3
Fazio, Cataldo F.	NORTH	185	42	55	29	70	12	113
Finello, Susanne N.	SOUTH	161	40	103	29	75	13	99
Foley, Patrick W.	CENTRAL	193	35	90	26	102	11	105
Frankland, Suzanne J.	NORTH	163	50	60	36	57	14	92
Ganzhorn, Lisa A.	NORTH	160	53	60	36	66	15	72
Garrabrandt, James H.	NORTH	191	42	46	33	101	14	112
Grabowski, David A.	SOUTH	202	31	88	15	46	1	96
Granato, S. Caroline	SOUTH	165	41	72	31	70	16	79
Hackett, Michael	NORTH	154	38	52	34	69	9	64
Hebron, Sylvia A	NORTH	174	43	62	33	77	13	102
Johnston, Maureen M.	NORTH	163	38	72	26	76	5	77
Kaczka, Thomas M.	NORTH	181	51	60	41	61	10	89
Kaiser, Brian K.	NORTH	197	39	65	34	77	11	85
Karbasian, Carolyn K.	SOUTH	162	34	55	25	57	9	86
Keller, Grant W.	SOUTH	176	42	75	36	61	10	70
Kincade, Kathleen D.	CENTRAL	93	38	54	31	62	11	66
La Salle, Robert C.	NORTH	191	43	61	30	65	14	63
LaPorta Esq., David M.	NORTH	134	36	55	22	71	21	78
LaPorta, Phillip A.	NORTH	151	44	40	29	77	9	84
Lardiere, Andrea L	CENTRAL	132	53	84	32	73	18	109
McFadden, Michael K.	SOUTH	149	36	74	24	36	10	40

Miller, Matthew G.	NORTH	136	37	73	31	76	11	90
Mundy, Lisa D.	NORTH	141	48	51	35	61	12	100
Nardella, George C.	NORTH	124	54	53	37	57	4	73
Noonan, Scott M.	NORTH	184	41	63	29	66	10	74
O'Brien, Matthew J.	NORTH	163	48	72	38	73	15	72
O'Donnel, Kenneth L.	NORTH	133	36	56	28	69	10	105
Patriaco, Andrew A.	NORTH	167	54	47	39	63	13	108
Pettersen, Nina L.	SOUTH	129	36	90	24	60	8	73
Reis, Karen M.	NORTH	136	50	56	36	78	15	86
Remington-Knodel, Jennifer	NORTH	142	52	35	28	77	17	102
Reynolds, William E.	SOUTH	150	47	64	34	83	14	77
Riva, Joseph J.	NORTH	31	54	7	38	1	7	6
Rivera, Barbara Brosnan	NORTH	126	50	56	34	78	17	78
Sacco, Russ	NORTH	150	38	71	30	106	8	92
Sproviero, Scott G.	NORTH	148	43	45	29	64	14	73
Stampone, Vincenzo	NORTH	159	50	61	30	76	9	102
Stokes, Nanci G.	NORTH	186	51	71	34	79	13	83
Tamburino, Joseph A.	NORTH	170	52	44	30	54	13	80
Tarrant, Tara D.	NORTH	161	32	48	16	54	10	95
Voorhees, Gregory X.	CENTRAL	254	83	85	27	78	16	90
Wallen, Kate R.	SOUTH	158	19	76	14	67	10	92

APPENDIX B

DRP	Region	IP Cases	IP Age (in Days)	OTP Cases	OTP Age (in days)
Aloi, Anthony M.	CENTRAL	272	165.03	51	70.31
Andolino, Michael D.	NORTH	208	119.17	32	64.34
Annunziata, Maria	CENTRAL	300	171.95	42	63.67
Barry, Martin M.	CENTRAL	272	174.64	42	80.69
Campbell, Jennifer M.	NORTH	298	172.49	54	83.09
Carnelli, Christopher M.	SOUTH	305	164.90	49	68.29
Caserta, Patrick J.	NORTH	243	159.09	50	71.82
Cassella, Deborah M.	NORTH	223	165.08	50	55.64
Celentano, Cynthia J.	NORTH	192	117.93	26	73.00
Croft, Douglas M.	NORTH	231	128.84	36	79.36
Damiano, Robert S.	NORTH	219	132.19	33	69.67
Daniskas, Maria I.	NORTH	258	165.39	47	49.30
Della Badia, Joseph	NORTH	196	108.81	28	57.11
DeMarco, Jodi L.	NORTH	172	122.26	48	56.77
Ducey, John G.	CENTRAL	254	154.91	42	88.21
Eisele-Grabowski, Karen	SOUTH	316	157.92	56	75.52
Fabiano, Edward	NORTH	252	122.80	47	57.34
Fannan, John J.	CENTRAL	15	124.87	0	0
Fazio, Cataldo F.	NORTH	261	127.18	53	81.72
Finello, Susanne N.	SOUTH	275	158.49	41	69.44
Foley, Patrick W.	CENTRAL	292	161.04	30	64.10
Frankland, Suzanne J.	NORTH	216	156.96	48	61.69
Ganzhorn, Lisa A.	NORTH	226	137.99	55	64.49
Garrabrandt, James H.	NORTH	288	151.30	43	81.95
Grabowski, David A.	SOUTH	344	143.81	36	79.72
Granato, S. Caroline	SOUTH	320	156.84	45	72.29
Hackett, Michael	NORTH	222	135.95	27	46.22
Hebron, Sylvia A	NORTH	245	132.07	43	69.07
Johnston, Maureen M.	NORTH	217	157.48	30	48.40
Kaczka, Thomas M.	NORTH	223	128.74	39	60.28
Kaiser, Brian K.	NORTH	249	131.24	34	65.71
Karbasian, Carolyn K.	SOUTH	296	136.47	31	61.87
Keller, Grant W.	SOUTH	277	152.04	47	75.06
Kincade, Kathleen D.	CENTRAL	266	178.24	43	74.47
La Salle, Robert C.	NORTH	227	129.21	41	66.73
LaPorta Esq., David M.	NORTH	241	139.26	51	72.88
LaPorta, Phillip A.	NORTH	214	147.62	29	60.41
Lardiere, Andrea L	CENTRAL	282	173.64	58	69.62
McFadden (LI), Michael K.	SOUTH	279	184.43	32	64.00

McFadden, Michael K.	SOUTH	6	217.17	0	0
Miller, Matthew G.	NORTH	193	147.81	37	67.35
Mundy, Lisa D.	NORTH	229	120.34	48	70.38
Nardella, George C.	NORTH	209	207.36	47	65.55
Noonan, Scott M.	NORTH	243	153.16	34	56.41
O'Brien, Matthew J.	NORTH	202	127.37	49	72.82
O'Donnel, Kenneth L.	NORTH	253	133.94	38	73.03
Patriaco, Andrew A.	NORTH	255	165.00	49	67.18
Pettersen, Nina L.	SOUTH	265	160.55	36	81.53
Reis, Karen M.	NORTH	211	171.17	43	54.95
Remington-Knodel, Jennifer	NORTH	194	125.00	52	58.79
Reynolds, William E.	SOUTH	314	161.07	41	50.83
Riva, Joseph J.	NORTH	32	143.13	49	62.88
Rivera, Barbara Brosnan	NORTH	214	134.42	44	54.93
Sacco, Russ	CENTRAL	214	119.93	30	70.00
Sproviero, Scott G.	NORTH	232	149.26	40	68.78
Stampone, Vincenzo	NORTH	251	144.70	54	72.00
Stokes, Nanci G.	NORTH	200	119.58	42	64.55
Tamburino, Joseph A.	NORTH	202	153.15	45	57.09
Tarrant, Tara D.	NORTH	239	176.10	30	64.80
Voorhees, Gregory X.	CENTRAL	244	154.65	53	69.70
Wallen (NO), Kate R.	SOUTH	282	152.79	19	79.68
Wallen, Kate R.	SOUTH	21	257.33	0	0

Contact us

Forthright

285 Davidson Avenue, Suite 502
Somerset, NJ 08873
732.271.6100
www.nj-no-fault.com



FORTHRIGHT