



QUARTERLY REPORT TO  
THE NEW JERSEY DEPARTMENT  
OF BANKING & INSURANCE

*No Fault Insurance PIP Arbitration  
3rd Quarter, 2009*

**Table of Contents**

Executive Summary .....	3
Cases Initiated .....	4
Disposition of Cases in the PIP ADR Program.....	5
Disposition of Cases by Region Percentage.....	5
Cases in Abeyance .....	6
Cases Settled within 45 Days of Initiation.....	6
Dispute Resolution Professional Caseload.....	7
Disposition of Cases after DRP Assignment.....	7
Regional Awards' Percentage .....	7
Awards as a Percentage of Claim Amount.....	7
PIP Benefits and Attorney's Fees Comparison .....	8
Award Average, Median, and Dollar Range.....	9
Appeals .....	9
Medical Review Organization Report.....	10
Online Case Management and Award Searching .....	10
Appendix A.....	12

## Executive Summary

In the 3<sup>rd</sup> quarter of 2009, 15,795 cases were initiated in the PIP ADR program. Of these cases, 11,083 (70%) originated in the Northern region, 2,301 (15%) in the Central region, and 2,411 (15%) in the Southern region.

Of the pending cases filed with the FORUM in the PIP ADR program, 12,068 cases 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 106 cases placed in abeyance by consent of the parties or by order of the court. There were 12,691 cases assigned to DRPs.

During the 3<sup>rd</sup> quarter, 3,329 cases settled during the conciliation period distributed regionally as follows: 2,169 in the North region; 533 in the Central region; 627 in the South region.

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 There are likely cases that the parties communicated as “withdrawn” or otherwise concluded which were actually settled and would qualify for this category.

System-wide, the average amount awarded in arbitration was \$5,989 comprised of \$4,832 for personal injury protection benefits and \$1,157 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 is less than the awarded amount.

Twenty-three (23) appeals to panels of 3 DRPs were concluded during the reporting period. Twenty (20) involved awards rendered in the North Region, one (1) in the Central Region and two (2) in the South Region. Thirty-five (35%) percent of appeals resulted in some form of modification, vacation, or remand.

During the reporting period, parties requested 165 Medical Review Organization (MRO) reviews. DRPs did not request any reviews. The requests were apportioned among the three current MROs on a random rotating basis.

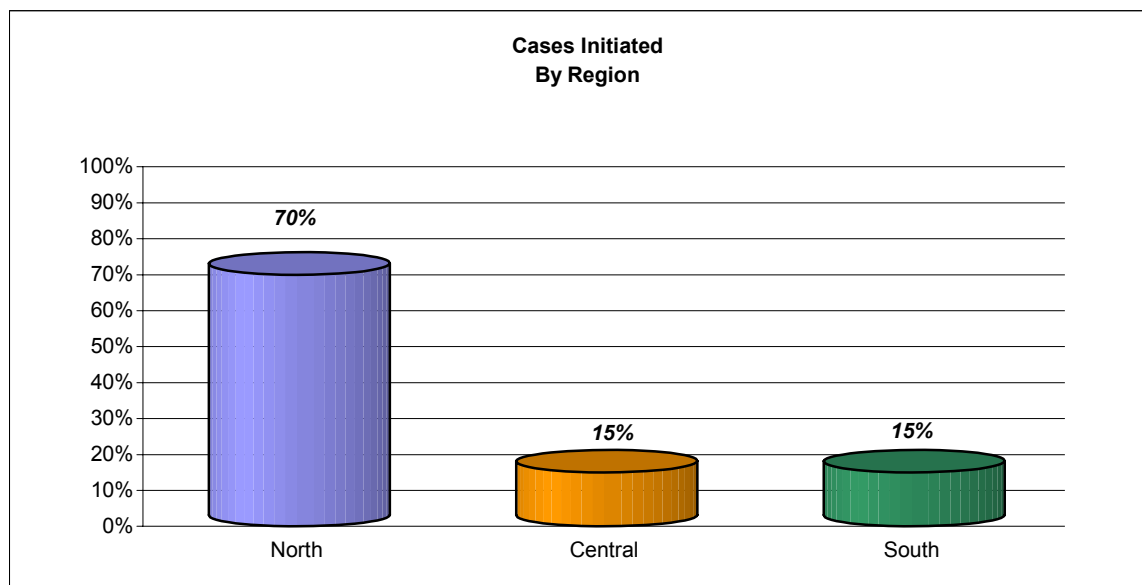
The Panel of Dispute Resolution Professionals (DRPs) consisted of 46 members. The DRPs were regionally deployed as follows: 31 in the North; 8 in the Central with full caseloads and 1 with a reduced caseload; 6 in the South.

## Cases Initiated

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

In the 3<sup>rd</sup> quarter of 2009, 15,795 cases were initiated in the PIP ADR program. Of these cases, 11,083 (70%) originated in the Northern region, 2,301 (15%) in the Central region, and 2,411 (15%) in the Southern region. See the table below for the monthly distribution.

	North	Central	South	Total
July	4,082	735	864	5,681
August	3,649	850	905	5,404
September	3,352	716	642	4,710
Region Total	11,083	2,301	2,411	15,795
Region Percent	70%	15%	15%	100%



The table below provides a view of initiations for the first three quarters of 2009 by quarterly and regional distribution.

	North	Central	South	Total
1st Quarter 2009	9,730	2,324	2,211	14,265
2 <sup>nd</sup> Quarter 2009	10,796	2,251	2,247	15,294
3 <sup>rd</sup> Quarter 2009	11,083	2,301	2,411	15,795
Totals	31,609	6,876	6,869	45,354

## Disposition of Cases in the PIP ADR Program

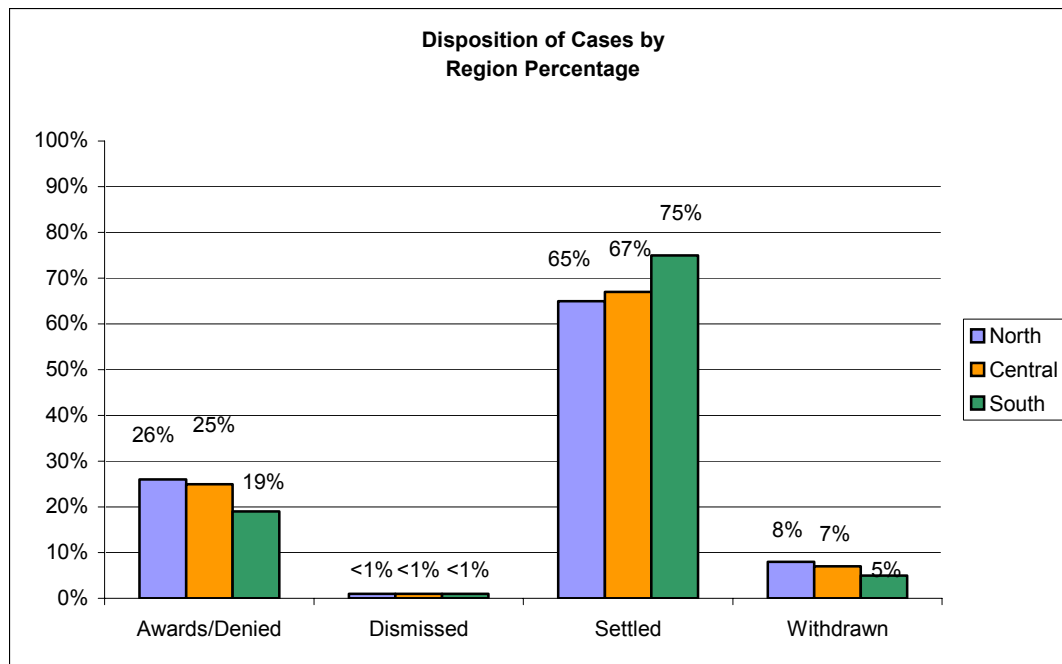
Of the pending cases filed with the FORUM in the PIP ADR program, 12,068 cases were concluded during the 3<sup>rd</sup> quarter by means of an award or denial of award (including appeals), pre-hearing dismissal of the case, settlement or withdrawal. The table below illustrates the manner in which cases were administered and concluded in the various geographic regions.

<b>Disposition Type</b>	<b>North</b>	<b>Central</b>	<b>South</b>	<b>Total</b>
Awarded/Denied	2,106	534	356	2,996
Dismissed Pre-Hearing	17	1	1	19
Settled	5,337	1,396	1,431	8,165
Withdrawn	646	146	96	888
<b>Total</b>	<b>8,106</b>	<b>2,077</b>	<b>1,884</b>	<b>12,068</b>

## Disposition of Cases by Region Percentage

The table and chart below present 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	26%	25%	19%
Dismissed Pre-Hearing	<1%	<1%	<1%
Settled	65%	67%	75%
Withdrawn	8%	7%	5%
<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.

Geographic Regions	North	Central	South	Total
Region Total	77	25	4	106
Region Percent	73%	23%	4%	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. During the 3<sup>rd</sup> quarter, 3,329 cases settled during the conciliation period distributed regionally as follows: 2,169 in the North region; 533 in the Central region; 627 in the South region.

The following table expresses the regional distribution in numbers and percentages.

Geographic Regions	North	Central	South	System-Wide
Region Settlements	2,169	533	627	3,329
Region Percent	10%	12%	15%	11%

\*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

For the quarter, the DRP panel consisted of 46 members. The DRPs were regionally deployed as follows: 31 in the North; 8 in the Central with full caseloads and 1 with a reduced caseload; 6 in the South.

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 8,425 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 2009 after the cases were assigned to the DRP for hearing.

Disposition	North	Central	South	Total	System-Wide Percentage
Awarded/Denied	2,110	534	357	3,001	35%
Dismissed by DRP	17	1	1	19	<1%
Settled	3,104	837	794	4,735	56%
Withdrawn	480	109	81	670	8%
Total	5,711	1,481	1,233	8,425	100%

### Regional Awards' Percentage

As shown above, a total of 3,001 awards were issued by DRPs concerning requests for expedited relief, standard relief, fee disputes, and appeals. Of the awards issued, 70% were in the North region, 18% in the Central region, and 12% in the South.

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

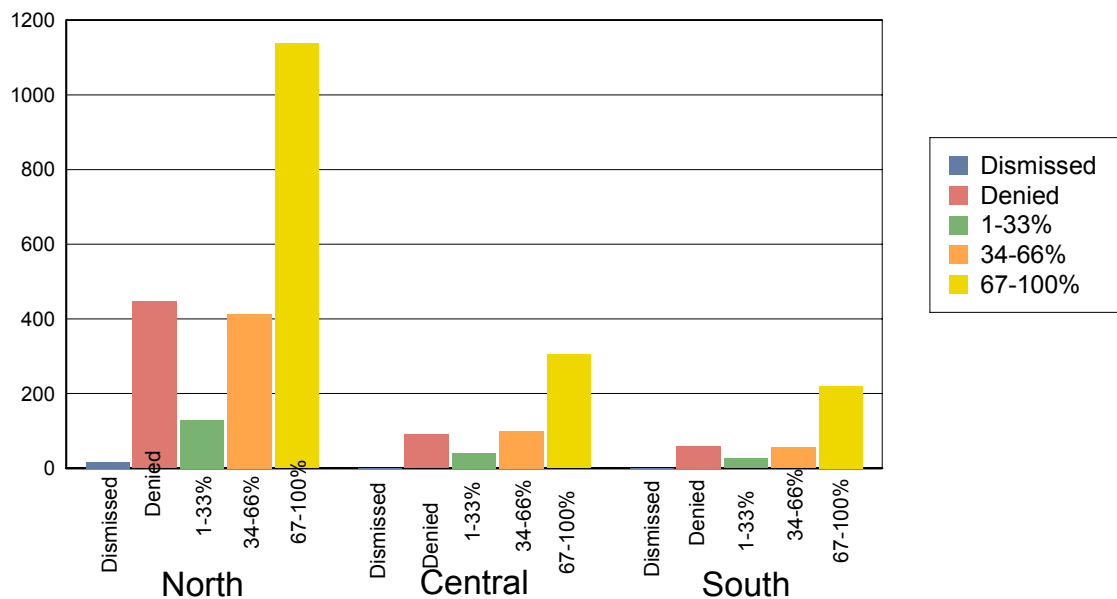
### Awards as a Percentage of Claim Amount

DRPs can deny a claim in its entirety or can award all or part of an amount requested by a Claimant. For cases decided in the 3<sup>rd</sup> quarter of 2009, the graph below indicates the distribution of DRP awarded amounts, from 0% (denied/dismissed) to 100% of claimed amounts.

\*Note: The data presentation for 2006 and thereafter was revised from previous years in that it no longer contains award data described as “more than 100%,” representing claims amended upward at the time of hearing. This nomenclature was retained from reports provided to the Department by the prior administrator. However, the nomenclature is imprecise. DRPs may not award amounts greater than those claimed.

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
North	17	447	129	413	1,137	2,143
Central	1	91	41	100	305	538
South	1	59	26	56	220	362
Total	19	597	196	569	1,662	3,043

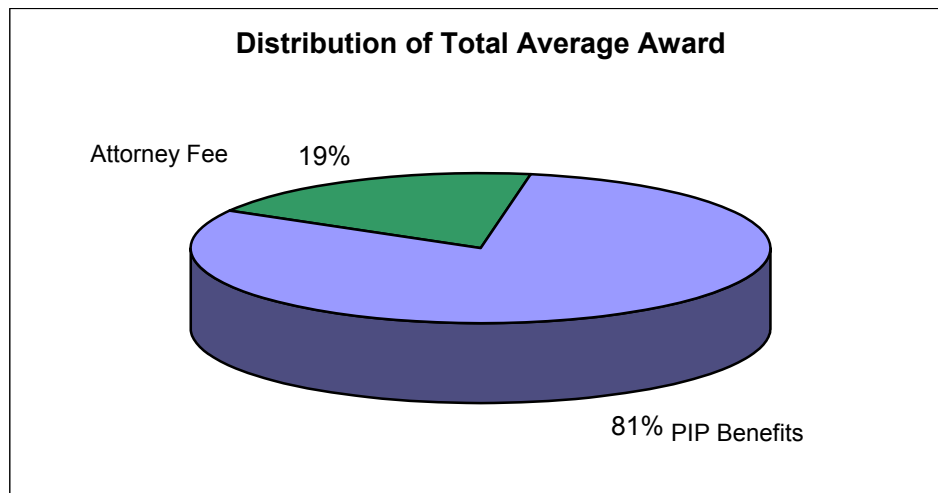


\*Note: The award data in this section excludes consent awards and appellate awards.

### PIP Benefits and Attorney's Fees Comparison

System-wide, the average amount awarded in arbitration was \$5,989 comprised of \$4,832 for personal injury protection benefits and \$1,157 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 was \$4,832\* per case. Awarded amounts ranged from \$0 to \$296,261. The median award during the reporting period was \$1,258.

The average amount awarded for attorney's fees was \$1,157 per case. Awarded attorney's fees ranged from \$0 to \$13,500. The median attorney's fee award during the reporting period was \$1,200.

	<b>Average</b>	<b>Dollar Range</b>	<b>Median</b>
PIP Benefits' Award	\$4,832*	\$0 to \$296,261	\$1,258
Attorney's Fee Award	\$1,157	\$0 to \$13,500	\$1,200

\*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 is less than the awarded amount.

### Appeals

Twenty-three (23) appeals to panels of 3 DRPs were concluded during the reporting period. Twenty (20) involved awards rendered in the North Region, one (1) in the Central Region and two (2) in the South Region. Thirty-five (35%) percent of appeals resulted in some form of modification, vacation, or remand. The following table reports the results.

	<b>North</b>	<b>Central</b>	<b>South</b>	<b>Total</b>
Affirmed	12	1	2	15
Modified	3	0	0	3
Vacated	2	0	0	2
Vacated/Modified & Remanded	3	0	0	3
<b>TOTALS</b>	<b>20</b>	<b>1</b>	<b>2</b>	<b>23</b>

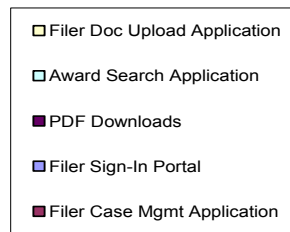
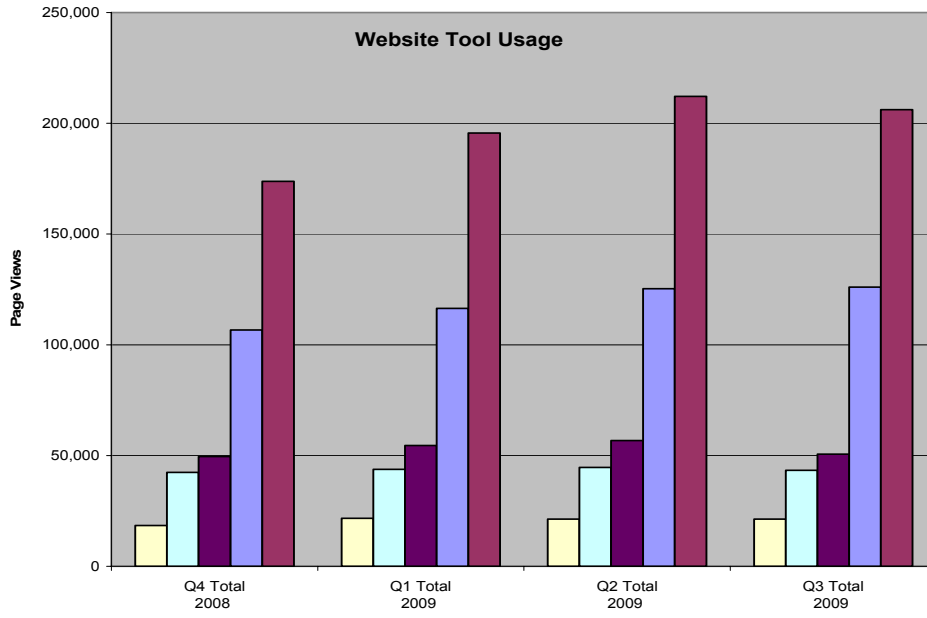
### Medical Review Organization Report

There are currently three Medical Review Organizations certified by the Department of Banking and Insurance. They are CFO Medical Services (“CFO”), First Managed Care Option (“FMCO”), and Support Claim Services (“SCS”). Information relevant to MRO usage is outlined in the table.

<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>CFO</b>	60	0	60	1	31	2
<b>FMCO</b>	49	0	49	0	26	2
<b>SCS</b>	56	0	56	0	25	5
<b>TOTALS</b>	<b>165</b>	<b>0</b>	<b>165</b>	<b>1</b>	<b>82</b>	<b>9</b>

### Online Case Management and Award Searching

This section of the report provides usage data for the FORUM’s free web-based case management tools for PIP practitioners. At the inception of the No-Fault Dispute Resolution Program, the FORUM launched a website at [www.nj-no-fault.com](http://www.nj-no-fault.com) as a free customer service. It enables PIP practitioners to access rules and forms, file and manage their cases online, upload cases documents, and search prior decisions. The chart below compares usage for the past four calendar quarters.



**Appendix A**

DRP	Region	Assigned	Closed	Award/Deny	Hearings
Aloi, Anthony M.	CENTRAL	196	136	50	65
Alterman, Herbert S.	NORTH	305	194	56	83
Amendola, Esq., Francesca	NORTH	319	171	71	106
Andolino, Michael D.	CENTRAL	185	159	56	79
Annunziata, Maria	CENTRAL	202	168	70	95
Brodow, Nora J.	NORTH	313	190	51	83
Carro, Sergio G.	NORTH	285	189	73	93
Cassella, Deborah M.	NORTH	310	216	76	83
Celentano, Cynthia J.	NORTH	295	175	70	78
Damiano, Robert S.	NORTH	303	197	92	133
Daniskas, Maria I.	NORTH	301	167	59	95
de Cordova, Donald W.	NORTH	313	200	62	87
DeMarco, Joseph	NORTH	319	208	100	132
DeMichele, Richard A	SOUTH	304	187	42	74
Eisele-Grabowski, Karen	SOUTH	292	204	65	84
Fabiano, Edward	NORTH	305	167	67	77
Fannan, John J.	CENTRAL	184	171	62	88
Fazio, Cataldo F.	NORTH	95	151	52	76
Foley, Patrick W.	CENTRAL	191	199	66	85
Ganzhorn, Lisa A.	NORTH	326	192	77	106
Garrabrandt, James H.	NORTH	307	187	70	99
Grabowski (ML), David A.	SOUTH	294	224	45	65
Granato, S. Caroline	SOUTH	305	196	74	92
Hackett, Michael	NORTH	293	189	66	93
Johnston, Maureen M.	NORTH	298	183	57	94
Kaczka, Thomas M.	NORTH	294	187	61	88
Kincade, Kathleen D.	CENTRAL	198	192	60	85
Knuetter, Margaret	NORTH	309	207	78	85
La Salle (North), Robert C.	NORTH	300	197	89	119
LaPorta, David M.	NORTH	316	170	67	105
LaPorta, Phillip A.	NORTH	299	178	55	84
Lardiere, Andrea L	CENTRAL	185	175	69	100
Lesser, Gary T.	NORTH	309	206	82	108
Lynch, Charles H.	NORTH	302	181	66	96
McFadden (CH), Michael K.	SOUTH	285	201	47	72
McFadden (NO), Michael K.	SOUTH	20	17	9	14
Miller, Matthew G.	NORTH	338	209	67	92
Noonan, Scott M.	NORTH	301	198	83	119
Odell, Barry K.	CENTRAL	91	97	36	49
Patriaco, Andrew A.	NORTH	305	200	73	106
Remington-Knodel, Jennifer	NORTH	322	199	77	115
Sacco, Russ	CENTRAL	179	188	64	82
Sproviero, Scott G.	NORTH	305	194	60	108
Stokes, Nanci G.	NORTH	297	176	66	86
Tamburino, Joseph A.	NORTH	294	172	38	82
Wallen (AC), Kate R.	SOUTH	19	17	7	9
Wallen (CH), Kate R.	SOUTH	273	200	75	77
Zimmerman, Richard T.	NORTH	310	206	81	111
<b>Totals</b>		<b>12691</b>	<b>8587</b>	<b>3039</b>	<b>4237</b>



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