



QUARTERLY REPORT TO
THE NEW JERSEY DEPARTMENT
OF BANKING & INSURANCE

*No Fault Insurance PIP Arbitration
4th Quarter, 2009*

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Executive Summary

In the 4th quarter of 2009, 13,496 cases were initiated in the PIP ADR program. Of these cases, 9,225 (68%) originated in the Northern region, 2,182 (16%) in the Central region, and 2,089 (16%) in the Southern region.

Of the pending cases filed with the FORUM in the PIP ADR program, 12,976 cases were concluded during the 4th quarter by means of an award or denial of award (including appeals), pre-hearing dismissal of the case, settlement or withdrawal. There were 174 cases placed in abeyance by consent of the parties or by order of the court. There were 11,952 cases assigned to DRPs.

During the 4th quarter, 2,659 cases settled during the conciliation period distributed regionally as follows: 1,709 in the North region; 439 in the Central region; 511 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 There are likely cases that the parties communicated as “withdrawn” or otherwise concluded which were actually settled and would qualify for this category.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 \$5,624 comprised of \$4,468 for personal injury protection benefits and \$1,156 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-nine (29) appeals to panels of 3 DRPs were concluded during the reporting period. Seventeen (17) involved awards rendered in the North Region, seven (7) in the Central Region and five (5) in the South Region. Forty-one (41%) percent of appeals resulted in some form of modification, vacation, or remand.

During the reporting period, parties requested 215 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.

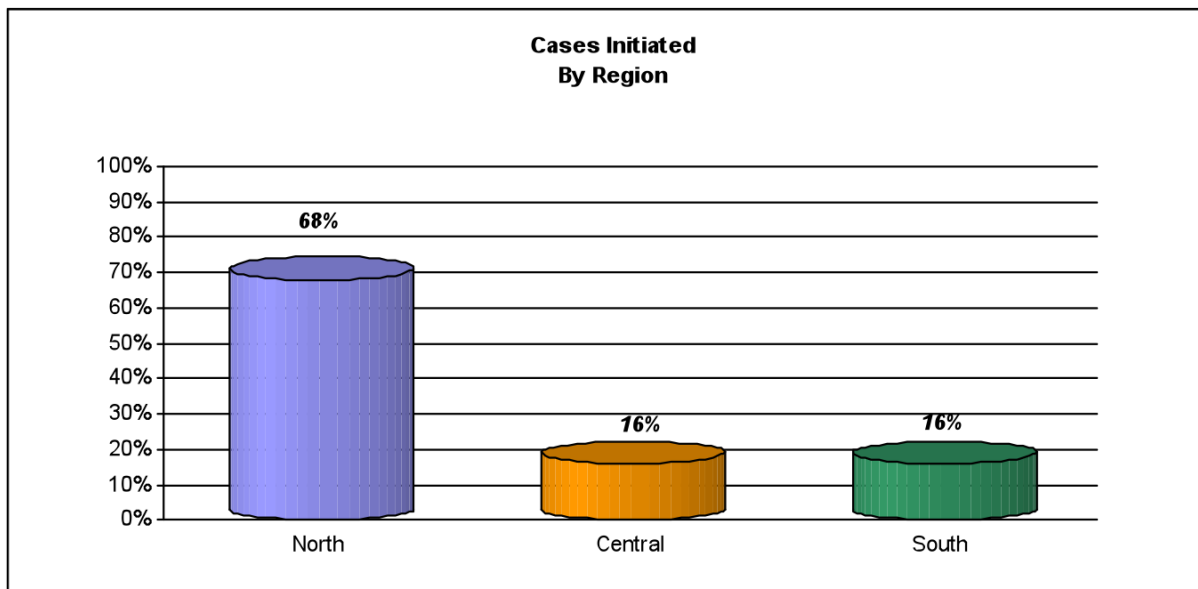
The Panel of Dispute Resolution Professionals (DRPs) consisted of 46 members. The DRPs were regionally deployed as follows: 31 in the North; 8 in the Central with full caseloads and 1 with a reduced caseload; 6 in the South.

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 4th quarter of 2009, 13,496 cases were initiated in the PIP ADR program. Of these cases, 9,225 (68%) originated in the Northern region, 2,182 (16%) in the Central region, and 2,089 (16%) in the Southern region. See the table below for the monthly distribution.

	North	Central	South	Total
October	3,462	789	720	4,971
November	2,664	556	772	9,992
December	3,099	837	597	4,533
Region Total	9,225	2,182	2,089	13,496
Region Percent	68%	16%	16%	100%



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

	North	Central	South	Total
1st Quarter 2009	9,730	2,324	2,211	14,265
2 nd Quarter 2009	10,796	2,251	2,247	15,294
3 rd Quarter 2009	11,083	2,301	2,411	15,795
4 th Quarter 2009	9,225	2,182	2,089	13,496
Totals	40,834	9,058	8,958	58,850

Disposition of Cases in the PIP ADR Program

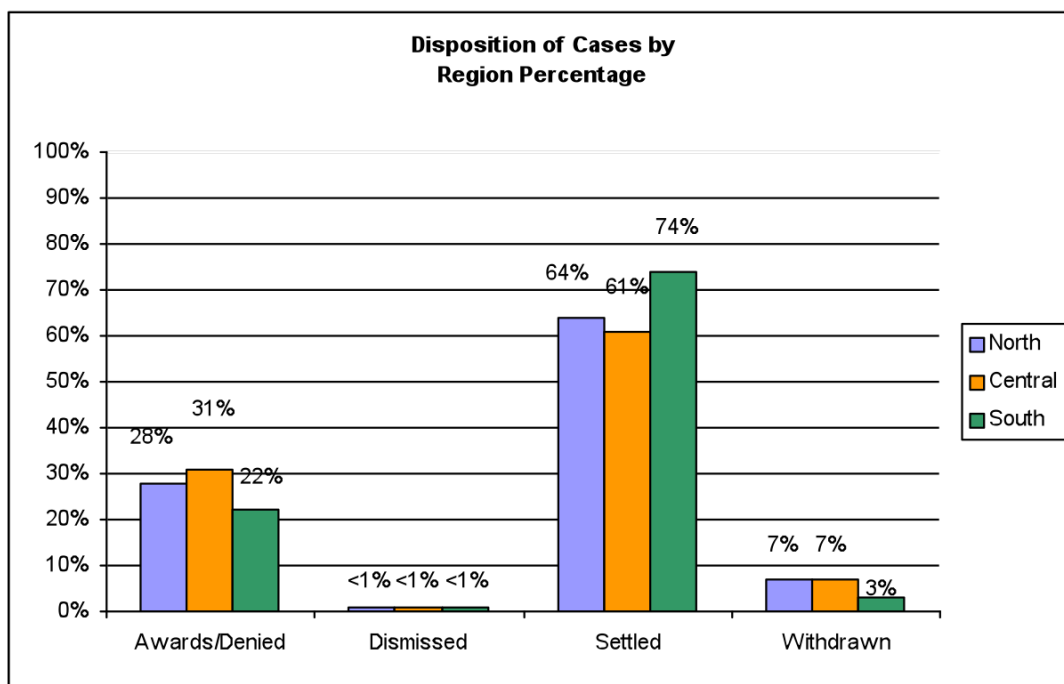
Of the pending cases filed with the FORUM in the PIP ADR program, 12,976 cases were concluded during the 4th quarter by means of an award or denial of award (including appeals), pre-hearing dismissal of the case, settlement or withdrawal. The table below illustrates the manner in which cases were administered and concluded in the various geographic regions.

Disposition Type	North	Central	South	Total
Awarded/Denied	2,521	699	415	3,635
Dismissed Pre-Hearing	20	0	0	20
Settled	5,706	1,346	1,374	8,427
Withdrawn	671	163	60	894
Total	8,918	2,208	1,849	12,976

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.

Disposition Type	North	Central	South
Awarded/Denied	28%	31%	22%
Dismissed Pre-Hearing	<1%	<1%	<1%
Settled	64%	61%	74%
Withdrawn	7%	7%	3%
Total	100%	100%	100%



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	108	58	8	174
Region Percent	62%	33%	5%	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 4th quarter, 2,659 cases settled during the conciliation period distributed regionally as follows: 1,709 in the North region; 439 in the Central region; 511 in the South region.

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

Geographic Regions	North	Central	South	System-Wide
Region Settlements	1,709	439	511	2,659
Region Percent	8%	8%	12%	8%

*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 10,005 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 4th quarter of 2009 after the cases were assigned to the DRP for hearing.

Disposition	North	Central	South	Total	System-Wide Percentage
Awarded/Denied	2,522	699	415	3,636	36%
Dismissed by DRP	20	0	0	20	<1%
Settled	3,916	887	840	5,643	56%
Withdrawn	535	127	44	706	7%
Total	6,993	1,713	1,299	10,005	100%

Regional Awards' Percentage

As shown above, a total of 3,636 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, 19% in the Central region, and 11% in the South.

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

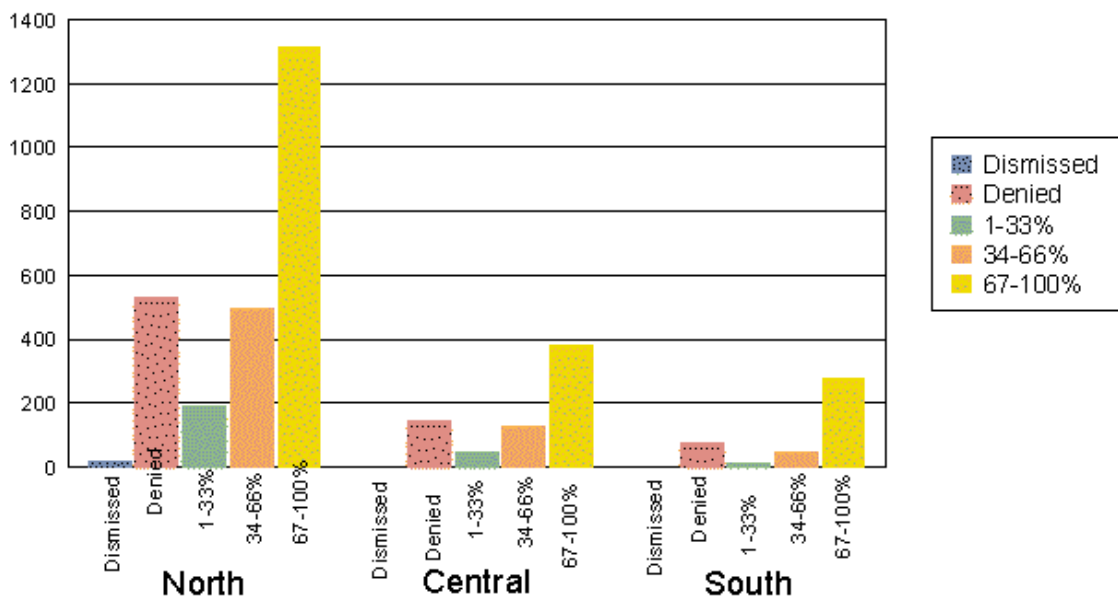
Awards as a Percentage of Claim Amount

DRPs can deny a claim in its entirety or can award all or part of an amount requested by a Claimant. For cases decided in the 4th 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.

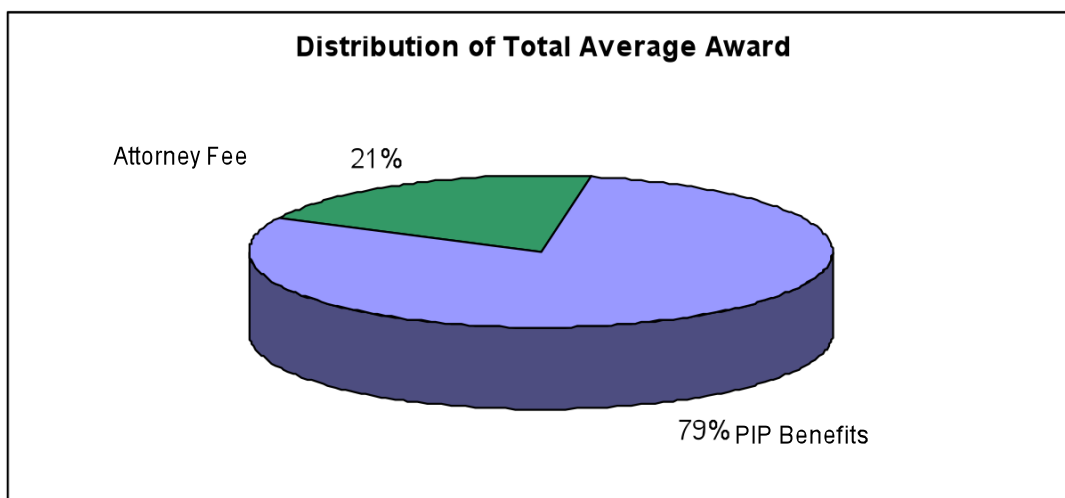
Region	Dismissed	Denied	1-33%	34-66%	67-100%	Total
North	20	534	192	506	1,326	2,578
Central	0	147	52	131	386	716
South	0	78	18	51	274	421
Total	20	759	262	688	1,986	3,715



*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 \$5,624 comprised of \$4,468 for personal injury protection benefits and \$1,156 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 \$4,468* per case. Awarded amounts ranged from \$0 to \$195,609. The median award during the reporting period was \$1,276.

The average amount awarded for attorney's fees was \$1,156 per case. Awarded attorney's fees ranged from \$0 to \$7,673. The median attorney's fee award during the reporting period was \$1,200.

	Average	Dollar Range	Median
PIP Benefits' Award	\$4,468*	\$0 to \$195,609	\$1,276
Attorney's Fee Award	\$1,156	\$0 to \$7,673	\$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-nine (29) appeals to panels of 3 DRPs were concluded during the reporting period. Seventeen (17) involved awards rendered in the North Region, seven (7) in the Central Region and five (5) in the South Region. Forty-one (41%) percent of appeals resulted in some form of modification, vacation, or remand. The following table reports the results.

	North	Central	South	Total
Affirmed	9	6	2	17
Modified	3	0	2	5
Vacated	3	0	0	3
Vacated/Modified & Remanded	2	1	1	4
TOTALS	17	7	5	29

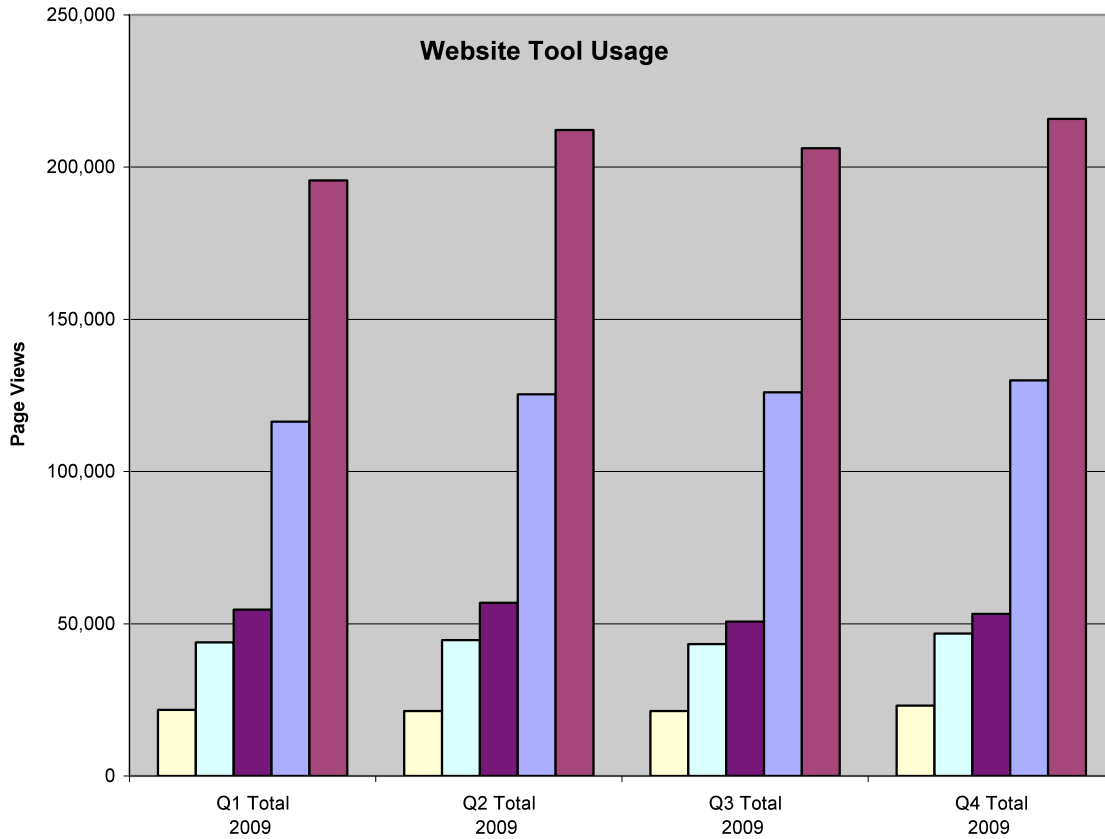
Medical Review Organization Report

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.

MRO	Request By Party	Request By DRP	Total Requests	Request for Information	Report in 20 Business Days	Report After 20 Business Days
CFO	70	0	70	0	32	0
FMCO	70	0	70	0	24	0
SCS	75	0	75	1	18	1
TOTALS	215	0	215	1	74	1

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 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.



2009 Q4 Highlights

- Total visits has continued to increase. A total of 193,969 visits in Q4 '09, has increased 5.9% from Q3 '09, and has a 10.3% increase from Q1 '09.
- In Q4 '09 37,745 Pageviews were accessed for the DRP Portal; with an increase of 11.5% from Q3 '09.
- Total Award Pageviews has gone up 7.4% from Q3 '09.
- In Q4 '09 52,072 Pageviews were accessed for the Standard Content of our site; with an increase of 10.1% from Q3 '09.

- Filer Doc Upload Application
- Award Search Application
- PDF Downloads
- Filer Sign-In Portal
- Filer Case Mgmt Application

Appendix A

DRP	Region	Assigned	Closed	Awarded/Denied	Hearings
Aloi, Anthony M.	CENTRAL	220	220	98	107
Alterman, Herbert S.	NORTH	189	238	97	138
Amendola, Esq., Francesca	NORTH	265	258	89	130
Andolino, Michael D.	CENTRAL	208	215	89	121
Annunziata, Maria	CENTRAL	208	204	89	135
Brodow, Nora J.	NORTH	273	219	69	108
Carro, Sergio G.	NORTH	276	262	87	138
Cassella, Deborah M.	NORTH	273	233	89	101
Celentano, Cynthia J.	NORTH	282	248	89	103
Damiano, Robert S.	NORTH	267	240	111	143
Daniskas, Maria I.	NORTH	281	255	90	137
de Cordova, Donald W.	NORTH	272	220	79	119
DeMarco, Joseph	NORTH	291	227	76	122
DeMichele, Richard A	SOUTH	285	209	65	107
Eisele-Grabowski, Karen	SOUTH	284	205	71	104
Fabiano, Edward	NORTH	297	213	75	82
Fannan, John J.	CENTRAL	228	215	86	129
Fazio, Cataldo F.	NORTH	246	165	54	93
Foley, Patrick W.	CENTRAL	206	209	95	116
Ganzhorn, Lisa A.	NORTH	266	208	77	117
Garrabrandt, James H.	NORTH	277	225	62	93
Grabowski (ML), David A.	SOUTH	275	247	74	101
Granato, S. Caroline	SOUTH	282	228	74	101
Hackett, Michael	NORTH	274	244	85	120
Johnston, Maureen M.	NORTH	280	223	85	128
Kaczka, Thomas M.	NORTH	287	215	69	124
Kincade, Kathleen D.	CENTRAL	212	186	77	113
Knuetter, Margaret	NORTH	291	210	76	86
La Salle (North), Robert C.	NORTH	283	259	94	133
LaPorta, David M.	NORTH	265	235	88	124
LaPorta, Phillip A.	NORTH	290	251	84	118
Lardiere, Andrea L	CENTRAL	211	206	79	108
Lesser, Gary T.	NORTH	274	252	84	134
Lynch, Charles H.	NORTH	285	225	76	121
McFadden (CH), Michael K.	SOUTH	252	217	62	79
McFadden (NO), Michael K.	SOUTH	22	16	10	11
Miller, Matthew G.	NORTH	257	238	77	104
Noonan, Scott M.	NORTH	279	210	84	121
Odell, Barry K.	CENTRAL	106	112	36	49
Patriaco, Andrew A.	NORTH	269	226	87	127
Remington-Knodel, Jennifer	NORTH	280	230	87	121
Sacco, Russ	CENTRAL	221	190	75	104
Sproviero, Scott G.	NORTH	271	233	93	137
Stokes, Nanci G.	NORTH	269	230	82	108
Tamburino, Joseph A.	NORTH	269	221	92	121
Wallen (AC), Kate R.	SOUTH	13	12	7	7
Wallen (CH), Kate R.	SOUTH	269	187	62	73
Zimmerman, Richard T.	NORTH	272	203	71	115
Total		11952	10194	3707	5231



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