



QUARTERLY REPORT TO  
THE NEW JERSEY DEPARTMENT  
OF BANKING & INSURANCE

*No Fault Insurance PIP Arbitration  
3rd Quarter, 2010*

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## Executive Summary

In the 3<sup>rd</sup> quarter of 2010, 15,895 cases were initiated in the PIP ADR program. Of these cases, 11,276 (71%) originated in the Northern region, 2,185 (14%) in the Central region, and 2,434 (15%) in the Southern region. See the table below for the monthly distribution.

Of the pending cases filed with the FORUM in the PIP ADR program, 12,887 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 156 cases placed in abeyance by consent of the parties or by order of the court. There were 14,181 cases assigned to DRPs.

During the 3<sup>rd</sup> quarter, 2,739 cases settled during the conciliation period distributed regionally as follows: 1,866 in the North region; 412 in the Central region; 461 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 There are likely cases that the parties communicated as “withdrawn” or otherwise concluded which were actually settled and would qualify for this category.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 \$6,285 comprised of \$5,101 for personal injury protection benefits and \$1,184 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.

Seventeen (17) appeals to panels of 3 DRPs were concluded during the reporting period. Thirteen (13) involved awards rendered in the North Region, two (2) 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 195 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.

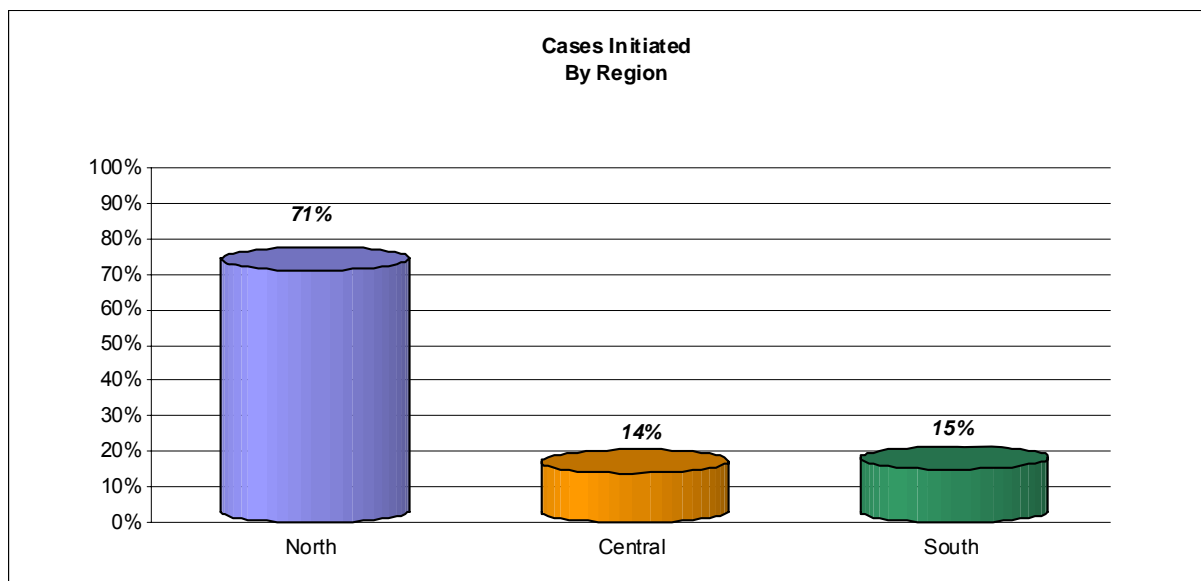
The Panel of Dispute Resolution Professionals (DRPs) consisted of 47 members. The DRPs were regionally deployed as follows: 32 in the North; 8 in the Central with full caseloads and 1 with a reduced caseload; 6 in the South.

## 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 2010, 15,895 cases were initiated in the PIP ADR program. Of these cases, 11,276 (71%) originated in the Northern region, 2,185 (14%) in the Central region, and 2,434(15%) in the Southern region. See the table below for the monthly distribution.

	North	Central	South	Total
July	3,584	776	835	5,195
August	4,123	664	907	5,694
September	3,569	745	692	5,006
Region Total	11,276	2,185	2,434	15,895
Region Percent	71%	14%	15%	100%



The table below provides a view of initiations for the first three quarters of 2010 by quarterly and regional distribution.

	North	Central	South	Total
1st Quarter 2010	10,281	2,128	2,221	14,630
2 <sup>nd</sup> Quarter 2010	11,075	2,199	2,332	15,606
3 <sup>rd</sup> Quarter 2010	11,276	2,185	2,434	15,895
Totals	32,632	6,512	6,987	46,131

## Disposition of Cases in the PIP ADR Program

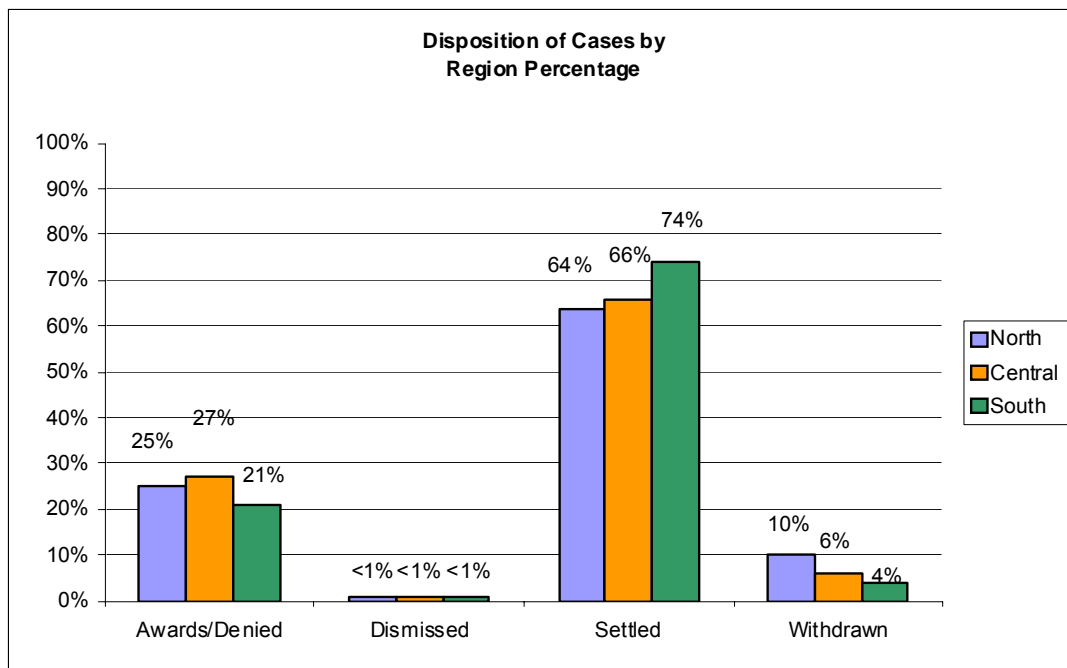
Of the pending cases filed with the FORUM in the PIP ADR program, 12,887 cases were concluded during the 3<sup>rd</sup> quarter by means of an award or denial of award (including appeals), pre-hearing dismissal of the case, settlement or withdrawal. The table below illustrates the manner in which cases 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	2,281	534	411	3,226
Dismissed Pre-Hearing	26	2	1	29
Settled	5,772	1,280	1,481	8,534
Withdrawn	885	118	95	1,098
<b>Total</b>	<b>8,964</b>	<b>1,934</b>	<b>1,988</b>	<b>12,887</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	25%	27%	21%
Dismissed Pre-Hearing	<1%	<1%	<1%
Settled	64%	66%	74%
Withdrawn	10%	6%	4%
<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	91	64	1	156
Region Percent	58%	41%	<1%	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, 2,739 cases settled during the conciliation period distributed regionally as follows: 1,866 in the North region; 412 in the Central region; 461 in the South region.

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

Geographic Regions	North	Central	South	System-Wide
Region Settlements	1,866	412	461	2,739
Region Percent	8%	9%	10%	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 47 members. The DRPs were regionally deployed as follows: 32 in the North; 7 in the Central with full caseloads and 1 with a reduced caseload; 7 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 9,806 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 2010, after the cases were assigned to the DRP for hearing.

Disposition	North	Central	South	Total	System-Wide Percentage
Awarded/Denied	2,281	534	411	3,226	33%
Dismissed by DRP	26	2	1	29	<1%
Settled	3,845	842	995	5,682	58%
Withdrawn	707	94	68	869	9%
Total	6,859	1,472	1,475	9,806	100%

## Regional Awards' Percentage

As shown above, a total of 3,226 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, 17% in the Central region, and 13% in the South.

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

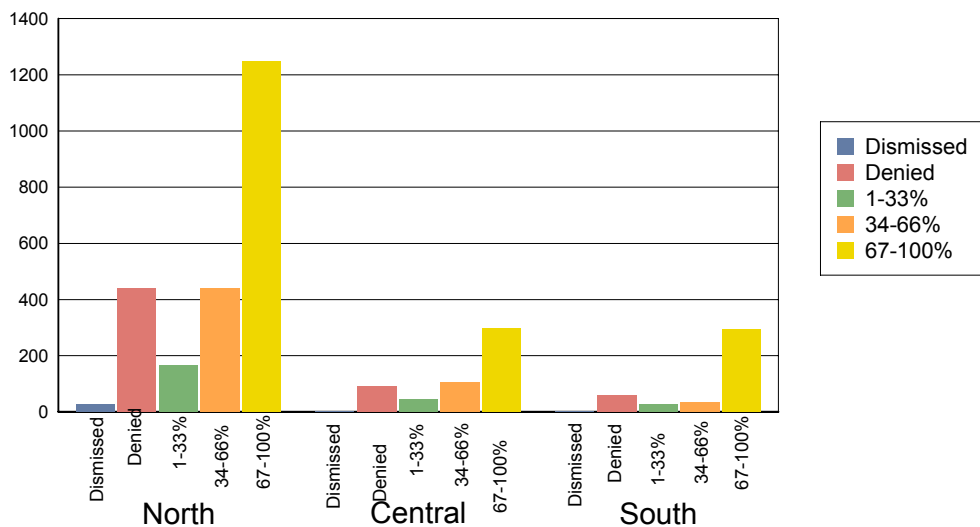
## Awards as a Percentage of Claim Amount

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 2010, 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	26	441	167	440	1,248	2,322
Central	2	91	46	105	296	540
South	1	60	25	35	296	417
Total	29	592	238	580	1,840	3,279

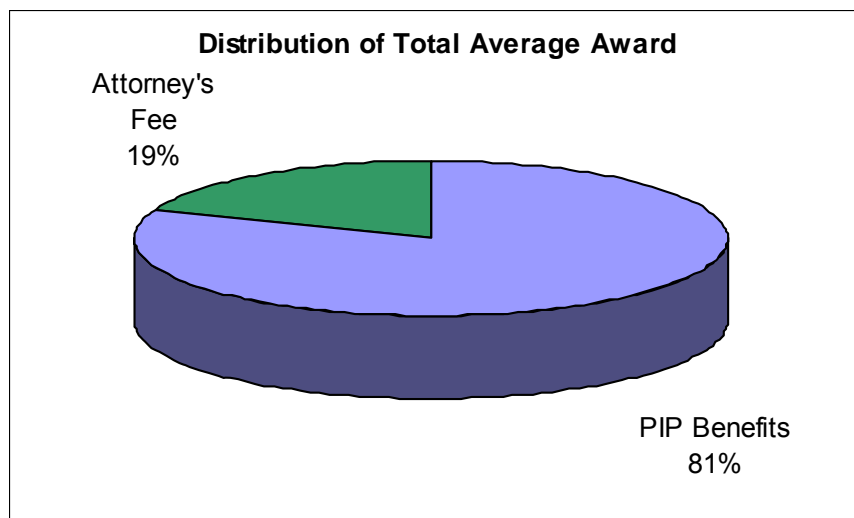


\*Note: The award data in this section excludes consent awards and appellate awards.

### PIP Benefits and Attorney’s Fees Comparison

System-wide, the average amount awarded in arbitration was \$6,285 comprised of \$5,101 for personal injury protection benefits and \$1,184 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 \$5,101\* per case. Awarded amounts ranged from \$0 to \$382,922. The median award during the reporting period was \$1,323.

The average amount awarded for attorney’s fees was \$1,148 per case. Awarded attorney’s fees ranged from \$0 to \$7,635. 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	\$5,101*	\$0 to \$382,922	\$1,323
Attorney’s Fee Award	\$1,184	\$0 to \$7,635	\$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**

Seventeen (17) appeals to panels of 3 DRPs were concluded during the reporting period. Thirteen (13) involved awards rendered in the North Region, two (2) 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.

	North	Central	South	Total
Affirmed	8	1	2	11
Vacated & modified	1	0	0	1
Vacated	0	1	0	1
Vacated & Remanded	4	0	0	4
<b>TOTALS</b>	<b>13</b>	<b>2</b>	<b>2</b>	<b>17</b>

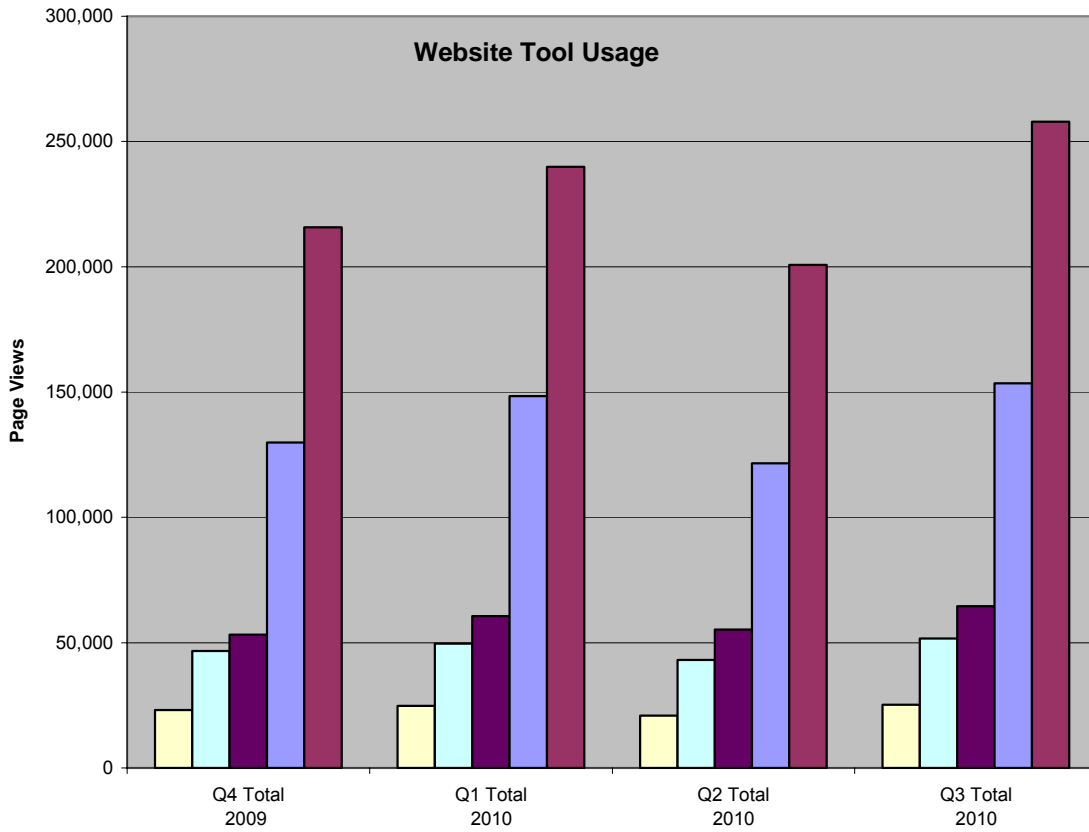
### Medical Review Organization Report

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.

MRO	Request By Party	Request By DRP	Total Requests	Request for Information	Report in 20 Business Days	Report After 20 Business Days
<b>ExamWorks</b>	67	0	67	0	31	0
<b>FMCO</b>	62	0	62	0	22	2
<b>SCS</b>	66	0	66	0	22	0
<b>TOTALS</b>	<b>195</b>	<b>0</b>	<b>195</b>	<b>0</b>	<b>75</b>	<b>2</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.



**2010 Q3 Highlights**

- Total visits of the homepage in Q3 '10 has increased 17.3% from Q2 '10.
- The DRP sign-in has increased from 15,824 visits in Q2' 10 to 17,798 visits in Q3 '10.
- The number of cases viewed in the Filers Case Management application have increased 17.5% from Q2 '10.
- The number of visits to the Award Search page has increased by 2,751 visits for a total of 16.4% from Q2 '10.

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

**Appendix A**

<b>DRP</b>	<b>Region</b>	<b>Assigned</b>	<b>Closed</b>	<b>Award/Deny</b>	<b>Hearings</b>
Aloi, Anthony M.	CENTRAL	206	141	42	51
Andolino, Michael D.	CENTRAL	204	185	71	91
Annunziata, Maria	CENTRAL	195	178	68	104
Fannan, John J.	CENTRAL	192	181	57	93
Foley, Patrick W.	CENTRAL	194	194	69	94
Kincade, Kathleen D.	CENTRAL	214	144	53	86
Lardiere, Andrea L.	CENTRAL	231	191	72	106
Sacco, Russ	CENTRAL	191	190	77	111
Odell, Barry K.	CENTRAL	97	86	32	53
Amendola, Francesca	NORTH	313	222	67	118
Brodow, Nora J.	NORTH	339	203	79	116
Carro, Sergio G.	NORTH	348	255	80	118
Caserta, Patrick J.	NORTH	188	154	48	88
Cassella, Deborah M.	NORTH	305	228	90	104
Celentano, Cynthia J.	NORTH	312	222	75	91
Damiano, Robert S.	NORTH	289	246	107	155
Daniskas, Maria I.	NORTH	307	227	73	110
de Cordova, Donald W.	NORTH	309	208	67	110
DeMarco, Joseph	NORTH	315	225	73	107
Fabiano, Edward	NORTH	306	221	72	79
Fazio, Cataldo F.	NORTH	322	213	59	113
Ganzhorn, Lisa A.	NORTH	326	238	96	130
Garrabrandt, James H.	NORTH	312	233	69	115
Hackett, Michael	NORTH	333	245	77	125
Johnston, Maureen M.	NORTH	314	204	67	122
Kaczka, Thomas M.	NORTH	321	254	70	104
Knuetter, Margaret	NORTH	311	259	96	116
La Salle (North), Robert C.	NORTH	286	228	71	101
LaPorta, David M.	NORTH	325	228	80	113
LaPorta, Phillip A.	NORTH	312	213	74	112
Lesser, Gary T.	NORTH	318	214	73	131
Lynch, Charles H.	NORTH	323	216	76	121
Miller, Matthew G.	NORTH	311	251	68	94
Noonan, Scott M.	NORTH	314	219	80	114
Patriaco, Andrew A.	NORTH	330	239	83	125
Remington-Knodel, Jennifer	NORTH	314	206	59	102
Riva, Joseph J.	NORTH	264	20	0	1
Sproviero, Scott G.	NORTH	319	229	77	126
Stokes, Nanci G.	NORTH	298	231	72	109
Tamburino, Joseph A.	NORTH	317	192	46	80
Zimmerman, Richard T.	NORTH	324	197	69	115
Carnelli, Christopher M.	SOUTH	731	123	12	13
Eisele-Grabowski, Karen	SOUTH	219	226	68	102
Grabowski (ML), David A.	SOUTH	234	239	54	90
Granato, S. Caroline	SOUTH	225	237	77	114
Keller, Grant W.	SOUTH	678	108	13	24
McFadden (CH), Michael K.	SOUTH	195	208	62	89
Wallen (CH), Kate R.	SOUTH	210	207	47	55
McFadden (NO), Michael K.	SOUTH	31	28	8	14

Wallen (AC), Kate R.	SOUTH	9	9	6	9
<b>Total</b>		<b>14181</b>	<b>9815</b>	<b>3181</b>	<b>4764</b>



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