



NEW JERSEY DEPARTMENT OF
BANKING AND INSURANCE
QUARTERLY REPORT

No Fault PIP Arbitration
2nd Quarter 2012



FORTHRIGHT

2ND QUARTER 2012 REPORT

TO THE

NEW JERSEY DEPARTMENT OF BANKING AND INSURANCE

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EXECUTIVE SUMMARY

In the 2nd quarter of 2012, 13,390 cases were initiated in the PIP ADR program. Of these cases, 9,127 (68%) originated in the Northern region, 1,918 (14%) in the Central region, and 2,345 (18%) in the Southern region.

For the quarter, the DRP panel consisted of 52 members. The DRPs were regionally deployed as follows: 35 in the North; 9 in the Central; 8 in the South. A total of 11,374 cases were assigned to DRPs.

Of the pending cases in the PIP arbitration program, 13,997 were concluded during the 2nd quarter by means of an award or denial of award (including appeals), pre-hearing dismissal of the case, settlement, or withdrawal. There were 449 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 \$3,946, comprised of \$3,147 for personal injury protection benefits and \$799 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.

Twenty-eight (28) appeals to panels of 3 DRPs were concluded during the reporting period. Seventeen (17) involved awards or dismissal orders rendered in the North Region, four (4) in the Central Region and three (3) in the South Region. Thirty-nine percent (39%) of appeals resulted in some form of modification.

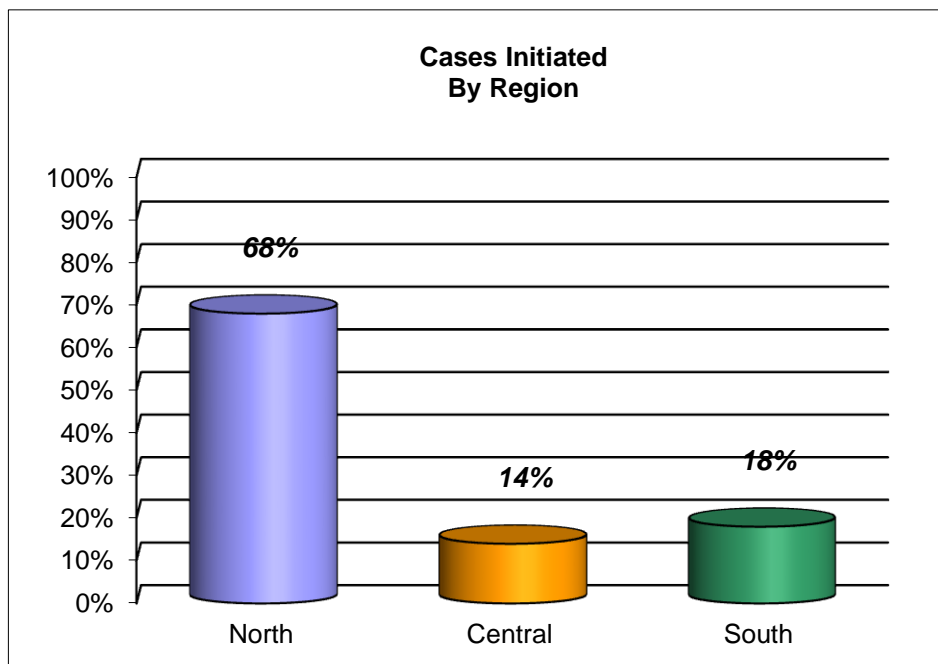
During the reporting period, parties requested 111 Medical Review Organization (MRO) reviews. DRPs requested 1 review. The requests were apportioned among the three current MROs on a rotating basis.

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 2nd quarter of 2012, 13,390 cases were initiated in the PIP ADR program. Of these cases, 9,127 (68%) originated in the Northern region 1,918 (14%) in the Central region, and 2,345 (18%) in the Southern region. See the table below for the monthly distribution.

	North	Central	South	Total
April	2,673	590	831	4,094
May	3,398	636	794	4,828
June	3,056	692	720	4,468
Region Total	9,127	1,918	2,345	13,390
Region Percent	68%	14%	18%	100%



The following table summarizes the initiations for the first two quarters of 2012.

	North	Central	South	Total
1st Quarter 2012	9,797	2,046	2,789	14,632
2 nd Quarter 2012	9,127	1,918	2,345	13,390

DISPOSITION OF CASES IN THE PIP ADR PROGRAM

Of the pending cases in the PIP arbitration program, 13,997 were concluded during the 2nd 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.

Disposition Type	North	Central	South	Total
Awarded/Denied	3,708	748	618	5,074
Dismissed Pre-Hearing	5	1	4	10
Settled	5,182	1,118	1,465	7,765
Withdrawn	878	139	131	1,148
Total	9,773	2,006	2,218	13,997

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.

Disposition Type	North	Central	South
Awarded/Denied	38%	28%	37%
Dismissed Pre-Hearing	<1%	<1%	<1%
Settled	53%	66%	56%
Withdrawn	9%	6%	7%
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	244	137	68	449
Region Percent	54%	31%	15%	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 in numbers and percentages.

Geographic Regions	North	Central	South	System-Wide
Region Settlements	2,062	437	614	3,113
Region Percent	66%	14%	20%	100%

*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 was increased to 53 members. The DRPs were regionally deployed as follows: 36 in the North; 9 in the Central; 8 in the South. 11,640 cases were assigned to DRPs.

Caseload activity of DRPs is represented in Appendix A. The appendix indicates 54 DRPs because of overlap between a retiring DRP and that DRP’s replacement.

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 10,642 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 2nd quarter of 2012, after the cases were assigned to the DRP for hearing.

Disposition	North	Central	South	Total	System-Wide Percentage
Awarded/Denied	3,708	748	618	5,074	48%
Dismissed by DRP	5	1	4	110	<1%
Settled	3,089	668	830	4,587	43%
Withdrawn	746	112	113	971	9%
Total	7,548	1,529	1,565	10,642	100%

REGIONAL AWARDS' PERCENTAGE

As shown above, a total of 5,074 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, 15% in the Central region, and 12% in the South.

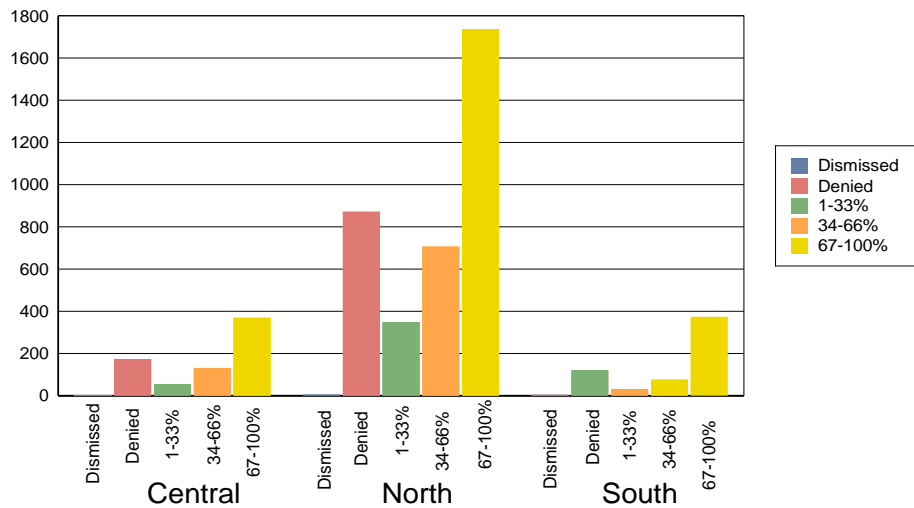
An online database of these awards is located at www.nj-no-fault.com.

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 2nd 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.

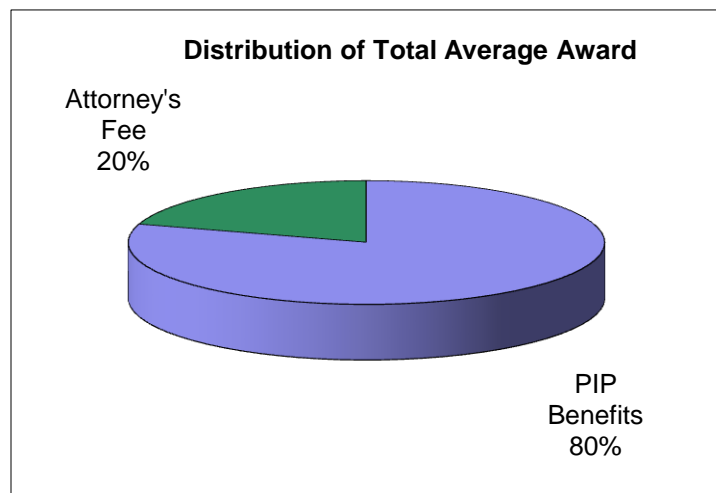
Region	Dismissed	Denied	1-33%	34-66%	67-100%	Total
Central	1	174	56	132	370	733
North	5	872	349	707	1,737	3,670
South	4	122	31	76	374	607
Total	10	1,168	436	915	2,481	5,010



*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 \$3,946, comprised of \$3,147 for personal injury protection benefits and \$799 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 \$3,147* per case. Awarded amounts ranged from \$0 to \$226,405. The median award during the reporting period was \$968.

The average amount awarded for attorney's fees was \$799 per case. Awarded attorney's fees ranged from \$0 to \$4,500. The median attorney's fee award during the reporting period was \$987.

	Average	Dollar Range	Median
PIP Benefits' Award	\$3,147*	\$0 to \$226,405	\$968
Attorney's Fee Award	\$799	\$0 to \$4,500	\$987

*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

Twenty-eight (28) appeals to panels of 3 DRPs were concluded during the reporting period. Seventeen (17) involved awards or dismissal orders rendered in the North Region, four (4) in the Central Region and three (3) in the South Region. Thirty-nine percent (39%) of appeals resulted in some form of modification. The following table reports the results.

	North	Central	South	Total
Affirmed	13	3	1	17
Vacated	4	0	0	4
Modified	3	2	2	7
TOTALS	20	5	3	28

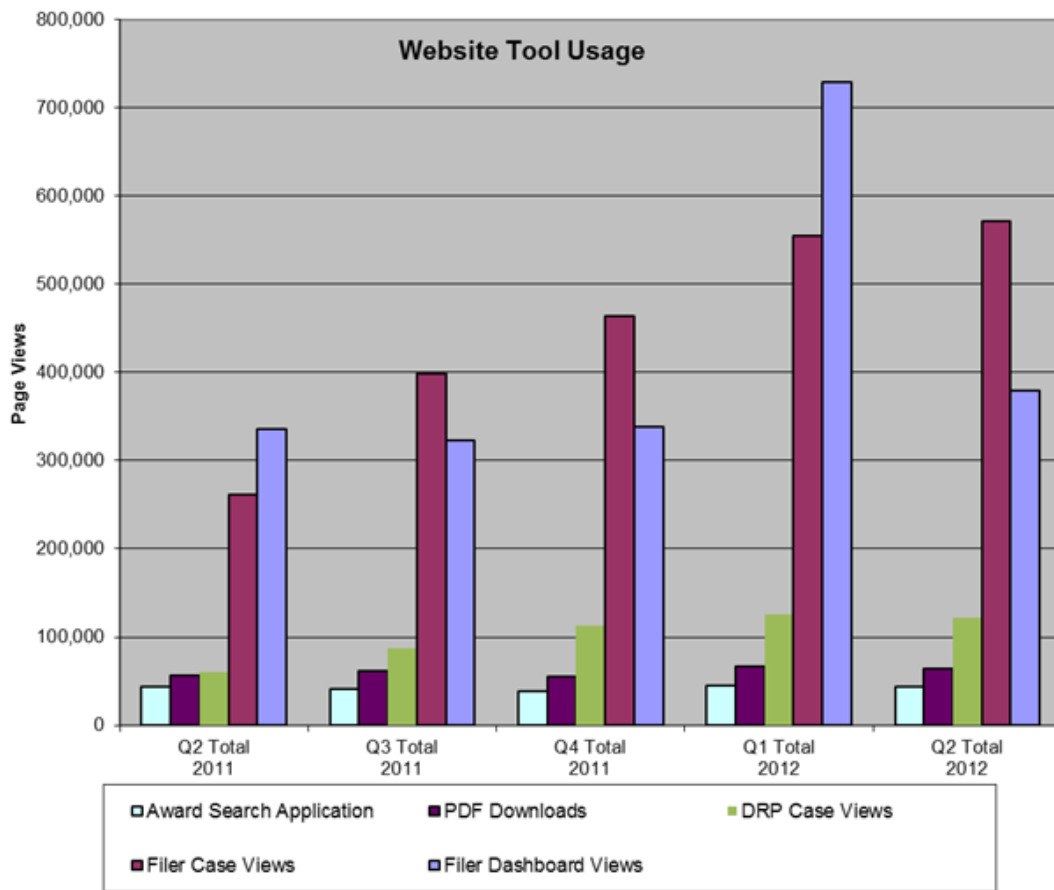
MEDICAL REVIEW ORGANIZATION REPORT

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.

MRO	Request By Party	Request By DRP	Total Requests	Request for Information	Report in 20 Business Days	Report After 20 Business Days
ExamWorks	41	0	41	0	27	14
FMCO	35	1	36	1	17	18
SCS	35	0	35	1	16	19
TOTALS	111	1	112	2	60	51

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 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 Q1 Highlights

- The Awards Search page received almost 44,000 visits.
- Almost 65,000 PDF documents were download from Forthright's website.
- Users viewed a total of 570,000 cases during the quarter

APPENDIX A

DRP	Region	Assigned	Closed	Awarded/ Denied
Aloi, Anthony M.	CENTRAL	94	145	74
Amendola, Francesca	NORTH	223	239	112
Andolino, Michael D.	CENTRAL	135	198	107
Annunziata, Maria	CENTRAL	137	165	80
Brodow, Nora J.	NORTH	0	81	73
Campbell, Jennifer M.	NORTH	276	222	70
Carnelli, Christopher M.	SOUTH	210	183	73
Carro, Sergio G.	NORTH	180	204	108
Caserta, Patrick J.	NORTH	179	207	86
Cassella, Deborah M.	NORTH	216	202	113
Celentano, Cynthia J.	NORTH	207	238	119
Croft, Douglas M.	NORTH	244	238	89
Damiano, Robert S.	NORTH	151	223	111
Daniskas, Maria I.	NORTH	221	208	106
de Cordova, Donald W.	NORTH	200	193	87
Della Badia, Joseph	NORTH	732	47	0
DeMarco, Joseph	NORTH	246	236	109
Eisele-Grabowski, Karen	SOUTH	250	176	66
Fabiano, Edward	NORTH	245	236	117
Fannan, John J.	CENTRAL	130	168	87
Fazio, Cataldo F.	NORTH	184	215	96
Foley, Patrick W.	CENTRAL	205	214	92
Ganzhorn, Lisa A.	NORTH	193	228	121
Garrabrandt, James H.	NORTH	237	218	99
Grabowski, David A.	SOUTH	234	193	78
Granato, S. Caroline	SOUTH	251	211	79
Hackett, Michael	NORTH	171	217	91
Hebron, Sylvia A	NORTH	216	217	96
Johnston, Maureen M.	NORTH	205	237	105
Kaczka, Thomas M.	NORTH	207	199	111
Karbasian, Carolyn K.	SOUTH	251	216	67
Keller, Grant W.	SOUTH	254	229	78
Kincade, Kathleen D.	CENTRAL	133	183	87
Knuetter, Margaret	NORTH	214	230	119
La Salle, Robert C.	NORTH	198	225	107
LaPorta, Phillip A.	NORTH	222	186	87
Lardiere, Andrea L	CENTRAL	206	176	94
Lesser, Gary T.	NORTH	180	189	78
McFadden (LI), Michael K.	SOUTH	18	20	11
McFadden, Michael K.	SOUTH	244	175	58
Miller, Matthew G.	NORTH	256	240	120
Noonan, Scott M.	NORTH	229	226	109
O'Brien, Matthew J.	NORTH	280	89	4
Odell, Barry K.	CENTRAL	173	172	78
Patriaco, Andrew A.	NORTH	231	224	117
Reis, Karen M.	NORTH	219	207	90
Remington-Knodel, Jennifer	NORTH	203	214	117
Riva, Joseph J.	NORTH	221	207	86
Sacco, Russ	CENTRAL	161	201	83

Sproviero, Scott G.	NORTH	241	249	126
Stampone, Vincenzo	NORTH	238	217	94
Stokes, Nanci G.	NORTH	252	239	114
Tamburino, Joseph A.	NORTH	260	244	115
Wallen (NO), Kate R.	SOUTH	3	9	3
Wallen, Kate R.	SOUTH	216	184	65
Zimmerman, Richard T.	NORTH	158	194	104
Total		11640	10903	4966

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