



NEW JERSEY DEPARTMENT OF  
BANKING AND INSURANCE  
**QUARTERLY REPORT**

No Fault PIP Arbitration  
2nd Quarter 2013



FORTHRIGHT

**2<sup>ND</sup> QUARTER 2013 REPORT**

**TO THE**

**NEW JERSEY DEPARTMENT OF BANKING AND INSURANCE**

Executive Summary ..... 2

Cases Initiated ..... 3

Transfer of Cases from OTP Proceedings to IP Proceedings ..... 4

Disposition of Cases in the PIP Arbitration Program..... 4

Disposition of Cases by Percentage..... 5

Cases in Abeyance ..... 5

Cases Settled within 45 Days of Initiation..... 5

Dispute Resolution Professional Caseload..... 6

Disposition of Cases after DRP Assignment..... 6

Regional Awards' Percentage ..... 6

Awards as a Percentage of Claim Amount ..... 6

PIP Benefits and Attorney's Fees Comparison ..... 8

Award Average, Median and Dollar Range..... 8

Appeals..... 9

Medical Review Organization Report ..... 9

Online Case Management and Award Searching .....10

Appendix A..... 11

## EXECUTIVE SUMMARY

The format of this report has been updated to capture data for cases with in-person proceedings as well as more data for those with “on-the-papers” proceedings. Pursuant to changes in the applicable regulations, the PIP arbitration rules were amended and Forthright began accepting filings of on-the-papers cases on March 1, 2013. Therefore, this report includes data for the first full quarter of on-the-papers cases. Throughout this report, in-person cases may be designated as “IP” and on-the-papers cases may be designated as “OTP.”

In the 2<sup>nd</sup> quarter of 2013, 14,529 cases were initiated in the PIP ADR program. Of these cases, 7,685 (53%) were filed in the Northern region, 2,163 (15%) in the Central region, and 1,895 (13%) in the Southern region, and 2,786 (19%) as OTP.

During the quarter, the DRP panel consisted of 60 members. The DRPs were regionally deployed as follows: 41 in the North; 9 in the Central; 10 in the South. 13,739 cases were assigned to DRPs.

Of the pending cases in the PIP arbitration program, 15,324 were concluded during the 2<sup>nd</sup> quarter by means of an award or denial of award (including appeals), pre-hearing dismissal of the case, settlement, or withdrawal. There were 788 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 \$4,757, comprised of \$3,959 for personal injury protection benefits and \$798 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-three (23) appeals to panels of 3 DRPs were concluded during the reporting period. Eighteen (18) involved awards or dismissal orders rendered in the North Region, three (3) in the Central Region and two (2) in the South Region. Forty-four percent (44%) of appeals resulted in some form of modification.

The number of Medical Review Organizations increased to four with the addition of Rising Medical Solutions. During the reporting period, parties requested 107 (MRO) reviews. DRPs did not request any reviews. The requests were apportioned among the four MROs on a rotating basis.

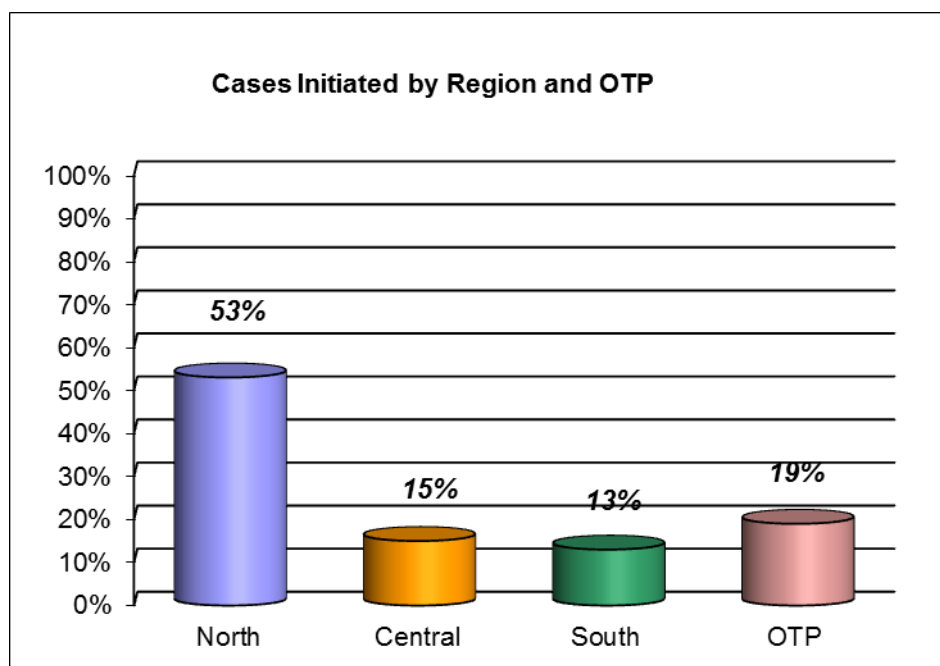
**CASES INITIATED**

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.

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 2<sup>nd</sup> quarter of 2013, 14,529 cases were initiated in the PIP ADR program. Of these cases, 7,685 (53%) were filed in the Northern region, 2,163 (15%) in the Central region, and 1,895 (13%) in the Southern region, and 2,786 (19%) as OTP. See the table below for the monthly distribution.

	<b>IP - North</b>	<b>IP -Central</b>	<b>IP - South</b>	<b>OTP</b>	<b>Total</b>
April	2,575	757	698	909	4,939
May	2,630	821	621	992	5,064
June	2,480	585	576	885	4,526
Region Total	7,685	2,163	1,895	2,786	14,529
Percent	53%	15%	13%	19%	100%



The following table summarizes the initiations for the first two quarters of 2013.

	<b>IP - North</b>	<b>IP -Central</b>	<b>IP - South</b>	<b>OTP</b>	<b>Total</b>
Q1 2013	8,566	2,178	2,073	692	13,509
Q2 2013	7,685	2,163	1,895	2,786	14,529

#### 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, cases voluntarily filed as OTP (but the respondent does not consent) and change of claim. 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 2<sup>nd</sup> quarter and the reason.

<b>Consolidation</b>	<b>Policy Issues</b>	<b>Change of Claim</b>	<b>Voluntary OTP Filings</b>	<b>Total</b>
230	38	41	0	309

#### DISPOSITION OF CASES IN THE PIP ARBITRATION PROGRAM

Of the pending cases in the PIP arbitration program, 15,324 were concluded during the 2<sup>nd</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 three IP geographic regions as well as the OTP category. The designation "N/A" appears in the table because pre-hearing dismissal is not an option for OTP cases.

<b>Disposition Type</b>	<b>IP - North</b>	<b>IP - Central</b>	<b>IP - South</b>	<b>OTP</b>	<b>Total</b>
Awarded/Denied	4,101	795	822	1	5,719
Dismissed Pre-Hearing	12	4	5	N/A	21
Settled	4,837	1,082	1,262	1,242	8,423
Withdrawn	815	158	187	1	1,161
Total	9,765	2,039	2,276	1,244	15,324

## DISPOSITION OF CASES BY PERCENTAGE

The table below presents the disposition of on-the-papers cases and the regional disposition of in-person cases as percentages of all case dispositions during the reporting period.

<b>Disposition Type</b>	<b>IP - North</b>	<b>IP - Central</b>	<b>IP - South</b>	<b>OTP</b>
Awarded/Denied	42%	36%	39%	0%
Dismissed Pre-Hearing	<1%	<1%	<1%	N/A
Settled	50%	56%	53%	100%
Withdrawn	8%	8%	8%	0%
Total	100%	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.

<b>IP - North</b>	<b>IP - Central</b>	<b>IP - South</b>	<b>OTP</b>	<b>Total</b>
540	143	105	0	788

## 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.

	<b>IP – North</b>	<b>IP - Central</b>	<b>IP - South</b>	<b>OTP</b>	<b>Total</b>
Settlements	1,439	331	329	1,066	3,165

\*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 consisted of 60 members. The DRPs were regionally deployed as follows: 41 in the North; 9 in the Central; 10 in the South. 13,739 cases were assigned to DRPs.

Caseload activity of DRPs is represented in Appendix A. The appendix had been modified to distinguish in-person cases from on-the-papers cases.

## 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 14,304 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 2<sup>nd</sup> quarter of 2013 after the cases were assigned to DRPs.

<b>Disposition</b>	<b>IP - North</b>	<b>IP - Central</b>	<b>IP - South</b>	<b>Total</b>	<b>OTP</b>	<b>System-Wide Percent</b>
Awarded/Denied	4,101	795	822	5,719	1	44%
Dismissed by DRP	12	4	5	21	N/A	<1%
Settled	3,374	752	922	6,279	1,231	48%
Withdrawn	738	138	176	1,053	1	8%
<b>Total</b>	<b>8,225</b>	<b>1,689</b>	<b>1,925</b>	<b>13,072</b>	<b>1,232</b>	<b>100%</b>

## REGIONAL AWARDS' PERCENTAGE

As shown above, a total of 5,720 awards were issued by DRPs concerning requests for expedited relief, standard relief, fee disputes, and appeals. Of the awards issued, 72% were in the North region, 14% in the Central region, and 14% 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

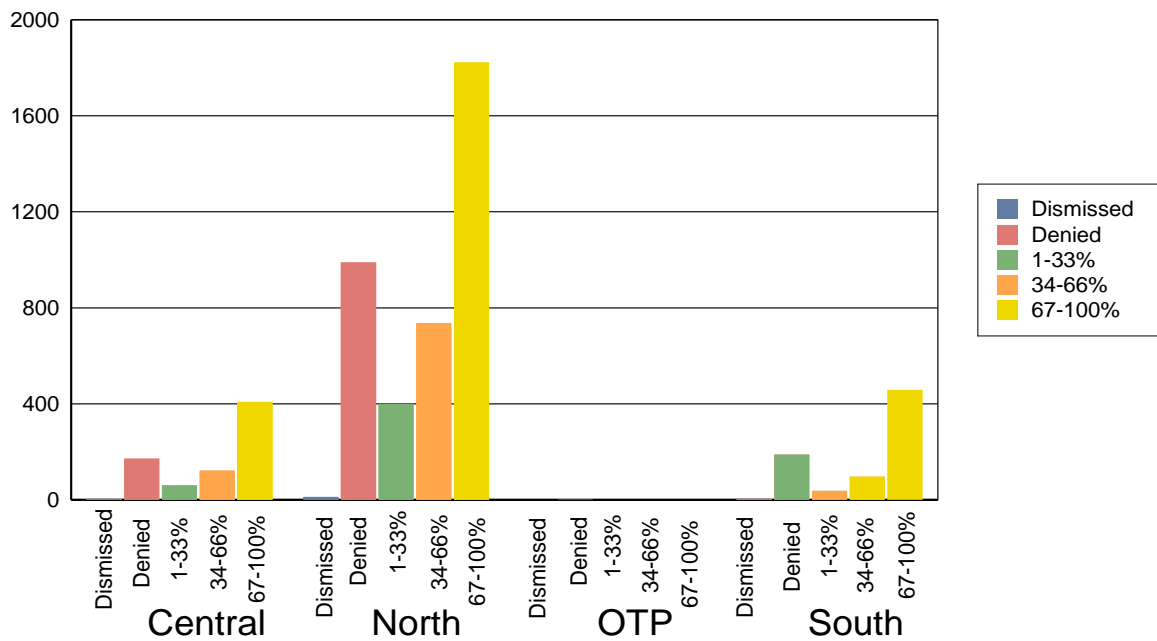
DRPs can deny a claim in its entirety or award all or part of an amount requested by a Claimant. For cases decided in the 2<sup>nd</sup> quarter of 2013, the graph below indicates the distribution of DRP total awarded



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.

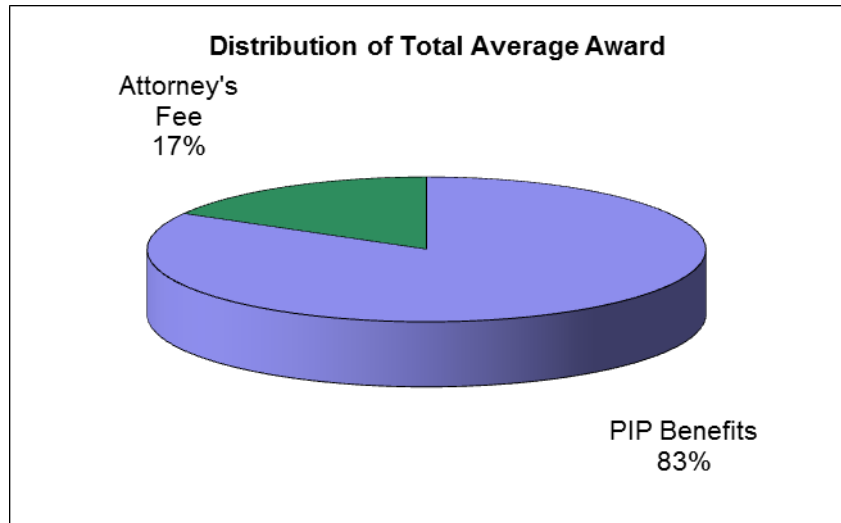
	<b>Dismissed</b>	<b>Denied</b>	<b>1-33%</b>	<b>34-66%</b>	<b>67-100%</b>	<b>Total</b>
IP - Central	4	171	61	122	408	766
IP - North	12	989	400	737	1,822	3,960
IP - South	5	189	38	97	458	787
OTP*	N/A	1	0	0	0	1
<b>Total</b>	<b>21</b>	<b>1,350</b>	<b>499</b>	<b>956</b>	<b>2,688</b>	<b>5,514</b>



\*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 \$4,757, comprised of \$3,959 for personal injury protection benefits and \$798 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 \$3,959\* per case. Awarded amounts ranged from \$0 to \$405,495. The median award during the reporting period was \$996.

The average amount awarded for attorney’s fees was \$798 per case. Awarded attorney’s fees ranged from \$0 to \$5,750. The median attorney’s fee award during the reporting period was \$1,000.

	<b>Average</b>	<b>Dollar Range</b>	<b>Median</b>
PIP Benefits’ Award	\$3,959*	\$0 to \$405,495	\$996
Attorney’s Fee Award	\$798	\$0 to \$5,750	\$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**

Thirteen (13) appeals to panels of 3 DRPs were concluded during the reporting period. Seven (7) involved awards or dismissal orders rendered in the North Region, two (2) in the Central Region and four (4) in the South Region. Thirty-one percent (31%) of appeals resulted in some form of modification. The following table reports the results.

	<b>IP - North</b>	<b>IP - Central</b>	<b>IP- South</b>	<b>OTP</b>	<b>Total</b>
Affirmed	7	2	1	N/A	10
Vacated	0	0	2	N/A	2
Modified	0	0	1	N/A	1
<b>TOTALS</b>	7	2	4	N/A	13

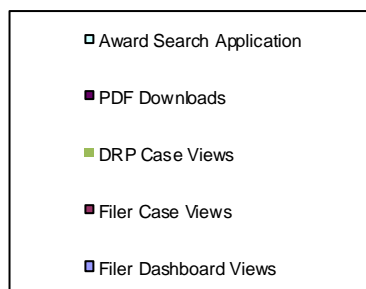
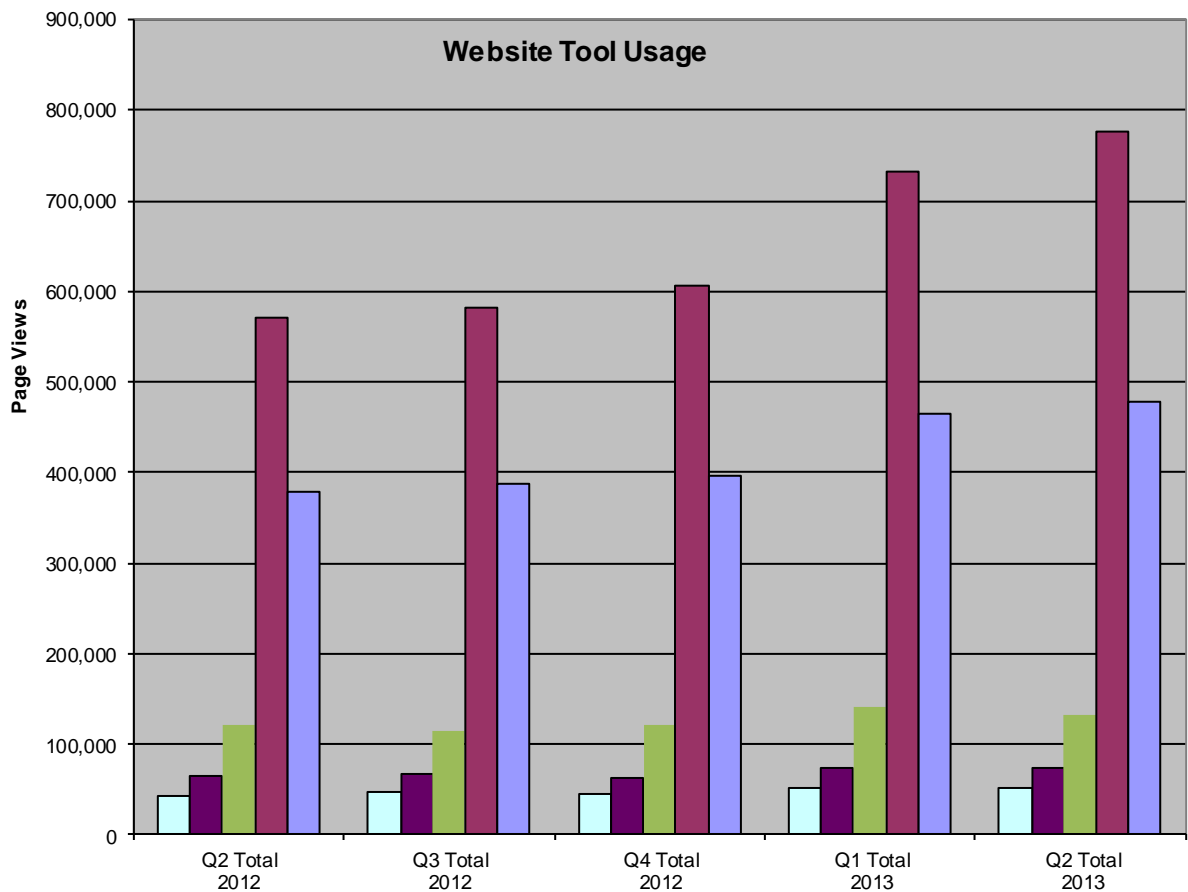
**MEDICAL REVIEW ORGANIZATION REPORT**

There are currently four 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”), Support Claim Services (“SCS”) and Rising Medical Solutions. Information relevant to MRO usage is outlined in the table below.

<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>ExamWorks</b>	30	0	30	0	22	9
<b>FMCO</b>	29	0	29	2	17	12
<b>Rising Medical</b>	21	0	21	0	11	10
<b>SCS</b>	27	0	27	0	17	10
<b>TOTALS</b>	107	0	107	2	67	41

### 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](http://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 four calendar quarters.



## APPENDIX A

DRP	Region	IP Assigned	OTP Assigned	IP Closed	OTP Closed	IP Award	OTP Award	IP Proceedings
Aloi, Anthony M.	CENTRAL	152	60	162	21	65	0	61
Amendola, Francesca	NORTH	189	53	193	30	101	0	103
Andolino, Michael D.	CENTRAL	222	63	183	30	80	0	83
Annunziata, Maria	CENTRAL	226	63	206	34	85	0	66
Campbell, Jennifer M.	NORTH	168	49	189	19	97	0	105
Carnelli, Christopher M.	SOUTH	143	57	215	26	97	0	71
Carro, Sergio G.	NORTH	142	50	215	20	117	0	105
Caserta, Patrick J.	NORTH	139	54	210	30	114	0	99
Cassella, Deborah M.	NORTH	182	54	192	26	87	0	89
Celentano, Cynthia J.	NORTH	206	40	232	22	99	0	91
Croft, Douglas M.	NORTH	209	38	246	19	128	0	102
Damiano, Robert S.	NORTH	171	46	220	28	101	0	104
Daniskas, Maria I.	NORTH	163	44	188	11	93	0	98
de Cordova, Donald W.	NORTH	154	26	186	13	106	0	90
Della Badia, Joseph	NORTH	205	31	228	16	73	0	81
DeMarco, Jodi L.	NORTH	182	42	213	17	63	0	71
DeMarco, Joseph	NORTH	182	19	211	11	123	0	110
Eisele-Grabowski, Karen	SOUTH	164	59	175	28	82	0	74
Fabiano, Edward	NORTH	195	54	225	24	106	0	107
Fannan, John J.	CENTRAL	218	51	197	28	94	0	78
Fazio, Cataldo F.	NORTH	205	52	235	24	103	0	100
Foley, Patrick W.	CENTRAL	189	52	176	21	102	0	84
Ganzhorn, Lisa A.	NORTH	206	33	224	9	122	0	120
Garrabrandt, James H.	NORTH	241	50	232	25	111	0	99
Grabowski, David A.	SOUTH	211	38	175	28	73	0	68
Granato, S. Caroline	SOUTH	163	57	196	23	93	0	70
Hackett, Michael	NORTH	195	59	214	33	100	0	101
Hebron, Sylvia A	NORTH	175	22	191	8	106	0	126
Johnston, Maureen M.	NORTH	169	52	237	27	118	0	100
Kaczka, Thomas M.	NORTH	172	40	185	23	98	0	63
Karbasian, Carolyn K.	SOUTH	164	59	179	25	91	0	67
Keller, Grant W.	SOUTH	151	57	201	25	83	1	79
Kincade, Kathleen D.	CENTRAL	191	56	158	24	63	0	62
Knuetter, Margaret	NORTH	187	58	202	33	104	0	103
La Salle, Robert C.	NORTH	161	47	220	19	121	0	92
LaPorta, David M.	NORTH	156	50	176	18	45	0	49
LaPorta, Phillip A.	NORTH	164	28	206	13	108	0	105
Lardiere, Andrea L	CENTRAL	221	56	184	32	78	0	82
Lesser, Gary T.	NORTH	192	39	225	19	102	0	108
McFadden (LI), Michael K.	SOUTH	24	0	17	0	6	0	5
McFadden, Michael K.	SOUTH	190	19	185	10	77	0	79
Miller, Matthew G.	NORTH	196	36	208	20	95	0	76
Mundy, Lisa D.	NORTH	189	46	210	19	78	0	90
Nardella, George C.	NORTH	158	48	216	23	87	0	96
Noonan, Scott M.	NORTH	155	44	196	16	111	0	92

O'Brien, Matthew J.	NORTH	208	43	200	18	87	0	90
Odell, Barry K.	CENTRAL	231	58	188	27	83	0	70
O'Donnel, Kenneth L.	NORTH	187	25	177	6	75	0	75
Patriaco, Andrew A.	NORTH	175	43	215	27	125	0	101
Pettersen, Nina L.	SOUTH	189	40	205	21	55	0	54
Reis, Karen M.	NORTH	170	35	202	18	105	0	78
Remington-Knodel, Jennifer	NORTH	192	49	193	17	94	0	98
Reynolds, William E.	SOUTH	209	50	195	20	61	0	92
Riva, Joseph J.	NORTH	155	33	184	18	90	0	114
Sacco, Russ	CENTRAL	186	53	181	24	91	0	84
Sproviero, Scott G.	NORTH	219	51	233	26	112	0	102
Stampone, Vincenzo	NORTH	173	37	187	20	98	0	80
Stokes, Nanci G.	NORTH	154	48	218	16	112	0	87
Tamburino, Joseph A.	NORTH	141	56	208	26	96	0	93
Wallen (NO), Kate R.	SOUTH	5	0	3	0	0	0	1
Wallen, Kate R.	SOUTH	160	46	200	27	75	0	76
Zimmerman, Richard T.	NORTH	180	50	213	34	98	0	105
Total		10,971	2,768	12,136	1,315	5,643	1	5,304

## Contact us

### Forthright

285 Davidson Avenue, Suite 502

Somerset, NJ 08873

732.271.6100

[www.nj-no-fault.com](http://www.nj-no-fault.com)



FORTHRIGHT