



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

No Fault PIP Arbitration  
3rd Quarter 2015



FORTHRIGHT

**3<sup>RD</sup> QUARTER 2015 REPORT**

**TO THE**

**NEW JERSEY DEPARTMENT OF BANKING AND INSURANCE**

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## EXECUTIVE SUMMARY

In the third quarter of 2015, 12,430 cases were initiated in the PIP dispute resolution program. Of these cases, 6,461 (52%) were initiated in the Northern region, 1,908 (15%) in the Central region, 1,606 (13%) in the Southern region, and 2,455 (20%) as OTP.

During the quarter, the DRP panel consisted of 65 members. The DRPs are regionally deployed as follows: 44 in the North, 10 in the Central, and 11 in the South. 13,038 cases were assigned to DRPs.

Of the pending cases in the PIP arbitration program, 14,108 were concluded during the third quarter by means of an award or denial of award (including appeals), pre-hearing dismissal of the case, settlement, or withdrawal. There were 1,067 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 \$4,642, comprised of \$3,850 for personal injury protection benefits and \$792 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 appeals to panels of three DRPs were concluded during the reporting period. Fourteen involved awards or dismissal orders rendered in the North Region, five in the Central Region, and eight in the South Region. Four OTP awards were appealed. Twenty-five percent of appeals resulted in some form of vacation or modification.

During the reporting period, parties requested MRO reviews applicable to 21 cases. DRPs did not request any reviews. The requests were apportioned among the four certified MROs on a rotating basis.

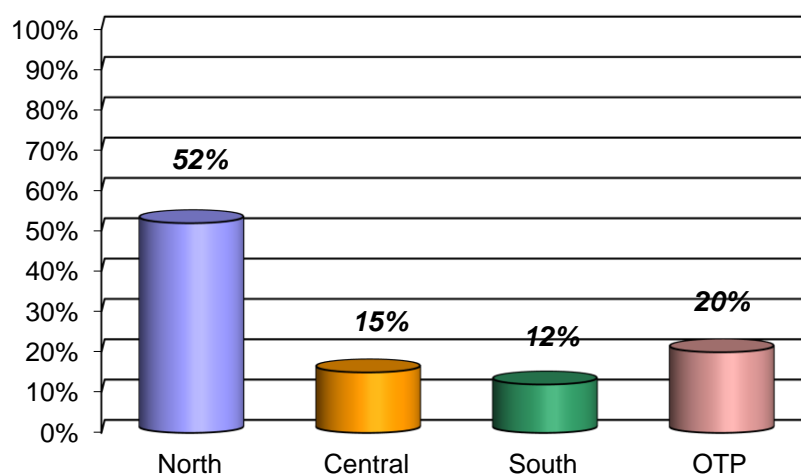
## CASES INITIATED

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 third quarter of 2015, 12,430 cases were initiated in the PIP dispute resolution program. Of these cases, 6,461 (52%) were initiated in the Northern region, 1,908 (15%) in the Central region, 1,606 (13%) in the Southern region, and 2,455 (20%) 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>
July	2323	676	573	777	4349
August	2071	602	460	847	3980
September	2067	630	573	831	4101
Totals	6461	1908	1606	2455	12430
Percent	52%	15%	13%	20%	



The following table summarizes the initiations for the first three quarters of 2015.

	<b>IP - North</b>	<b>IP - Central</b>	<b>IP - South</b>	<b>OTP</b>	<b>Total</b>
Q1 2015	7137	2175	1541	2899	13752
Q2 2015	7228	1970	1576	2649	13423
Q3 2015	6461	1908	1606	2455	12430

## 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, change of claim and cases voluntarily filed as OTP but the Respondent does not consent. 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 second quarter and the reason.

<b>Consolidation</b>	<b>Policy Issues</b>	<b>Change of Claim</b>	<b>Voluntary OTP Filings</b>	<b>Total</b>
263	59	39	66	427

## DISPOSITION OF CASES IN THE PIP ARBITRATION PROGRAM

Of the pending cases in the PIP arbitration program, 14,108 were concluded during the third 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.

<b>Disposition Type</b>	<b>IP - North</b>	<b>IP - Central</b>	<b>IP - South</b>	<b>OTP</b>	<b>Total</b>
Awarded/Denied	3137	869	759	843	5608
*Dismissed Pre-Hearing	12	3	3	0	18
Settled	3758	1271	866	1526	7421
Withdrawn	602	144	122	193	1061
<b>Total</b>	<b>7509</b>	<b>2287</b>	<b>1750</b>	<b>2562</b>	<b>14108</b>

*\* Pre-hearing dismissal is not an option for OTP cases.*

## DISPOSITION OF CASES BY PERCENTAGE

The table below presents the disposition of OTP cases and the regional disposition of IP 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%	38%	43%	33%
Dismissed Pre-Hearing	(<1%)	(<1%)	(<1%)	N/A
Settled	50%	56%	49%	59%
Withdrawn	8%	6%	7%	8%

## 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>
711	162	194	0	1067

## 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*	1342	358	269	871	2840

*\* 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

The DRP panel consisted of 65 members. The DRPs are regionally deployed as follows: 44 in the North, 10 in the Central, and 11 in the South. 13,038 cases were assigned to DRPs.

Caseload activity of DRPs is represented in Appendix A. The appendix distinguishes IP cases from OTP cases. Note that the tally of awarded and settled cases displayed in the “Disposition of Cases After DRP Added” Section and Appendix A may vary slightly because of the method of collecting data for each. For example, an award rendered by a three DRP panel is reported for each DRP in Appendix A. A case that settles while in abeyance without an active DRP will not be counted in Appendix A.

## 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 12,367 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 third quarter of 2015 after the cases were assigned to DRPs. Note that IP cases are assigned to DRPs after the 45-day conciliation period. OTP cases are assigned upon initiation. Also note that the tally of awarded and settled cases displayed in the “Disposition of Cases After DRP Added” Section and Appendix A may vary slightly because of the method of collecting data for each. For example, an award rendered by

a three DRP panel is reported for each DRP in Appendix A. A case that settles while in abeyance without an active DRP will not be counted in Appendix A.

<b>Disposition</b>	<b>IP - North</b>	<b>IP - Central</b>	<b>IP - South</b>	<b>IP - Total</b>	<b>OTP</b>
Awarded/Denied	3360	897	797	5054	872
Dismissed by DRP	12	3	3	18	0*
Settled	2445	906	593	3944	1518
Withdrawn	524	132	114	770	191
<b>Total</b>	<b>6341</b>	<b>1938</b>	<b>1507</b>	<b>9786</b>	<b>2581</b>

\* Not applicable to OTP proceedings

### REGIONAL AWARDS PERCENTAGE

A total of 5,926 awards were issued by DRPs concerning requests for emergent relief, standard relief and fee disputes in both IP and OTP proceedings. Of the awards issued for IP cases, 66% were in the North region, 18% in the Central region, and 16% 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 third quarter of 2015, 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	3	142	87	162	430	824
IP - North	12	525	315	703	1471	3026
IP - South	3	135	35	112	407	692
OTP	0*	330	3	44	282	659
<b>Total</b>	<b>18</b>	<b>1132</b>	<b>440</b>	<b>1021</b>	<b>2590</b>	<b>5201</b>

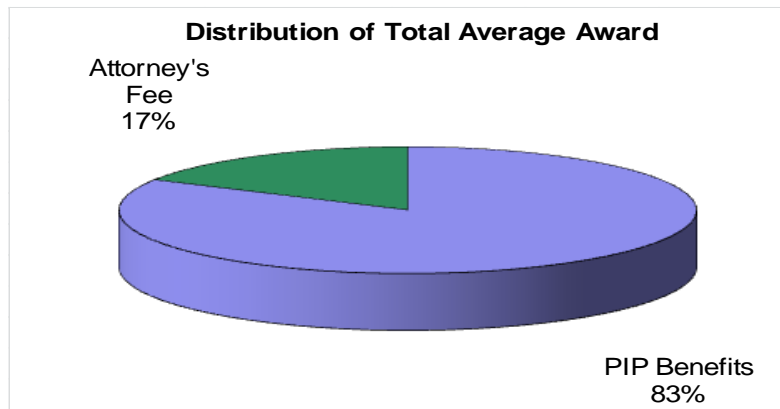
\* Not applicable to OTP proceedings

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 \$4,642, comprised of \$3,850 for personal injury protection benefits and \$792 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 \$3,850\* per case. Awarded amounts ranged from \$0 to \$357,545. The median award during the reporting period was \$1,155. Note that the calculation of the average and median includes cases in which the amount awarded was \$0.

The average amount awarded for attorney’s fees was \$792 per case. Awarded attorney’s fees ranged from \$0 to \$4,500. The median attorney’s fee award during the reporting period was \$915. Note that the calculation of the average and median attorney’s fee includes cases in which the amount awarded was \$0.

	<b>Average</b>	<b>Dollar Range</b>	<b>Median</b>
PIP Benefits’ Award	\$3850*	\$0 to \$357,545	\$1,155
Attorney’s Fee Award	\$792	\$0 to \$4,500	\$915

*\* 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 appeals to panels of three DRPs were concluded during the reporting period. Fourteen involved awards or dismissal orders rendered in the North Region, five in the Central Region, and eight in the South Region. Four OTP awards were appealed. Twenty-five percent of appeals resulted in some form of vacation or 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	11	4	6	0	21
Vacated & Modified	2	1	1	1	5
Vacated & Remanded	1	0	1	0	2
<b>TOTALS</b>	<b>14</b>	<b>5</b>	<b>8</b>	<b>1</b>	<b>28</b>

### 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.

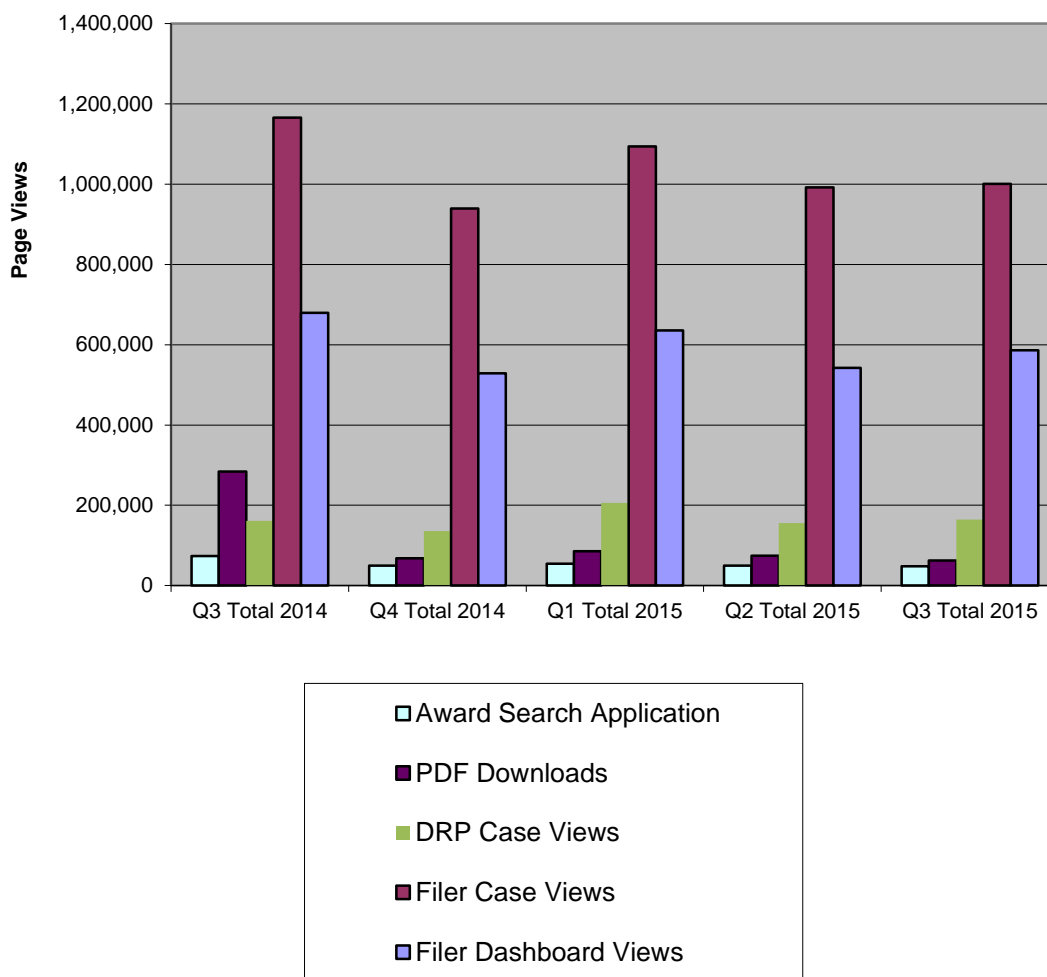
MRO	Request By Party	Request By DRP	Total Requests	Request for Information	Report in 20 Business Days	Report After 20 Business Days
ExamWorks	6	0	6	0	6	0
FMCO	5	0	5	0	4	1
Rising Medical	5	0	5	0	5	0
SCS	5	0	5	0	5	0
<b>TOTALS</b>	<b>21</b>	<b>0</b>	<b>21</b>	<b>0</b>	<b>20</b>	<b>1</b>

Note that MRO requests are reported by case. If a request pertains to consolidated cases, it is counted for each case.

### 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 redesigned 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.

**Website Tool Usage**



**APPENDIX A**

<u>DRP</u>	<u>Region</u>	<u>IP Assigned</u>	<u>IP Settled/ Withdrawn</u>	<u>OTP Settled/ Withdrawn</u>	<u>IP Awarded/ Denied</u>	<u>OTP Awarded/ Denied</u>	<u>In Person Proceedings</u>
Aloi, Anthony M.	CENTRAL	188	92	14	70	6	82
Amendola, Francesca	NORTH	212	83	36	72	8	59
Andolino, Michael D.	NORTH	145	68	36	45	9	85
Annunziata, Maria	CENTRAL	165	89	13	90	1	91
Barry, Martin M.	CENTRAL	189	149	14	73	1	91
Campbell, Jennifer M.	NORTH	195	62	34	120	16	93
Carnelli, Christopher M.	SOUTH	145	62	34	70	17	105
Caserta, Patrick J.	NORTH	125	71	28	81	17	111
Cassella, Deborah M.	NORTH	144	75	39	62	12	77
Celentano, Cynthia J.	NORTH	136	55	28	83	12	91
Croft, Douglas M.	NORTH	146	85	15	78	15	89
Damiano, Robert S.	NORTH	167	72	31	91	17	99
Daniskas, Maria I.	NORTH	140	61	22	94	10	88
Della Badia, Joseph	NORTH	161	95	25	99	11	96
DeMarco, Jodi L.	NORTH	186	87	25	87	17	96
DeMarco, Joseph	NORTH	143	69	26	86	9	103
Ducey, John G.	CENTRAL	195	114	14	78	5	97
Eisele-Grabowski, Karen	SOUTH	127	62	33	58	18	93
Fabiano, Edward	NORTH	160	50	30	71	14	85
Fannan, John J.	CENTRAL	131	62	8	73	6	95
Fazio, Cataldo F.	NORTH	185	75	36	64	17	99
Foley, Patrick W.	CENTRAL	128	64	5	85	6	95
Frankland, Suzanne J.	NORTH	171	74	26	83	11	97
Ganzhorn, Lisa A.	NORTH	181	76	29	85	11	102
Garrabrandt, James H.	NORTH	182	89	29	72	23	104
Grabowski, David A.	SOUTH	164	71	17	57	10	90
Granato, S. Caroline	SOUTH	146	62	31	72	14	80
Hackett, Michael	NORTH	155	65	23	79	12	83
Hebron, Sylvia A	NORTH	137	88	31	86	14	103
Johnston, Maureen M.	NORTH	138	54	22	83	16	73
Kaczka, Thomas M.	NORTH	202	81	25	72	17	103
Kaiser, Brian K.	NORTH	162	60	29	96	23	119
Karbasian, Carolyn K.	SOUTH	163	51	26	87	20	121
Keller, Grant W.	SOUTH	128	58	26	73	11	84
Kincade, Kathleen D.	CENTRAL	142	90	21	60	5	79
La Salle, Robert C.	NORTH	183	60	41	73	13	79
LaPorta Esq., David M.	NORTH	163	54	31	89	21	110
LaPorta, Phillip A.	NORTH	158	77	31	85	9	71
Lardiere, Andrea L	CENTRAL	147	103	13	71	4	86
Lesser, Gary T.	NORTH	127	81	39	67	11	98

<u>DRP</u>	<u>Region</u>	<u>IP Assigned</u>	<u>IP Settled/ Withdrawn</u>	<u>OTP Settled/ Withdrawn</u>	<u>IP Awarded/ Denied</u>	<u>OTP Awarded/ Denied</u>	<u>In Person Proceedings</u>
McFadden, Michael K.	SOUTH	135	68	17	74	12	86
Miller, Matthew G.	NORTH	142	58	23	83	23	92
Mundy, Lisa D.	NORTH	139	65	24	72	18	99
Nardella, George C.	NORTH	167	67	33	72	17	104
Noonan, Scott M.	NORTH	121	69	27	63	14	91
O'Brien, Matthew J.	NORTH	149	46	28	98	20	121
Odell, Barry K.	CENTRAL	133	66	11	74	3	94
O'Donnel, Kenneth L.	NORTH	145	67	14	85	14	92
Patriaco, Andrew A.	NORTH	148	61	23	73	17	85
Pettersen, Nina L.	SOUTH	149	77	32	81	26	108
Reis, Karen M.	NORTH	166	68	28	89	15	95
Remington-Knodel, Jennifer	NORTH	159	73	37	77	19	94
Reynolds, William E.	SOUTH	117	62	30	76	14	114
Riva, Joseph J.	NORTH	238	81	30	51	15	87
Rivera, Barbara Brosnan	NORTH	135	67	37	74	12	82
Sacco, Russ	NORTH	154	61	26	92	22	110
Sproviero, Scott G.	NORTH	164	59	34	88	14	86
Stampone, Vincenzo	NORTH	162	60	34	89	15	120
Stokes, Nanci G.	NORTH	165	63	36	77	16	103
Sutton, Gregory J.	SOUTH	131	75	33	71	18	105
Tamburino, Joseph A.	NORTH	161	63	24	71	12	64
Tarrant, Tara D.	NORTH	481	69	23	28	5	77
Voorhees, Gregory X.	CENTRAL	226	146	21	88	11	99
Wallen (NO), Kate R.	SOUTH	2	2	0	1	0	1
Wallen, Kate R.	SOUTH	127	59	15	67	20	83
Zimmerman, Richard T.	NORTH	136	62	33	67	9	108
<b>Total</b>		<b>10531</b>	<b>4712</b>	<b>1709</b>	<b>5053</b>	<b>872</b>	<b>6114</b>

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