



AUTOMOBILES

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

No Fault PIP Arbitration  
4th Quarter 2013



FORTHRIGHT

**4TH QUARTER 2013 REPORT**  
**TO THE**  
**NEW JERSEY DEPARTMENT OF BANKING AND INSURANCE**

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## EXECUTIVE SUMMARY

The format of this report was 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. Throughout this report, in-person cases may be designated as “IP” and on-the-papers cases may be designated as “OTP.”

In the 4<sup>th</sup> quarter of 2013, 13,609 cases were initiated in the PIP dispute resolution program. Of these cases, 7,762 (57%) were initiated in the Northern region, 1,656 (12%) in the Central region, and 1,324 (10%) in the Southern region, and 2,867 (21%) 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. 13,793 cases were assigned to DRPs. Note that 61 DRPs are designated in Appendix A because there was a short overlap of a retiring DRP and a replacement DRP.

Of the pending cases in the PIP arbitration program, 14,429 were concluded during the 4<sup>th</sup> quarter by means of an award or denial of award (including appeals), pre-hearing dismissal of the case, settlement, or withdrawal. There were 907 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 \$4,736, comprised of \$3,931 for personal injury protection benefits and \$805 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-six (26) 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 five (5) in the South Region. No OTP awards were appealed. Fifty percent (50%) of appeals resulted in some form of vacation or modification.

During the reporting period, parties requested MRO reviews applicable to thirty-eight (38) cases. DRPs did not request any reviews. The requests were apportioned among the four certified MROs on a rotating basis.

**CASES INITIATED**

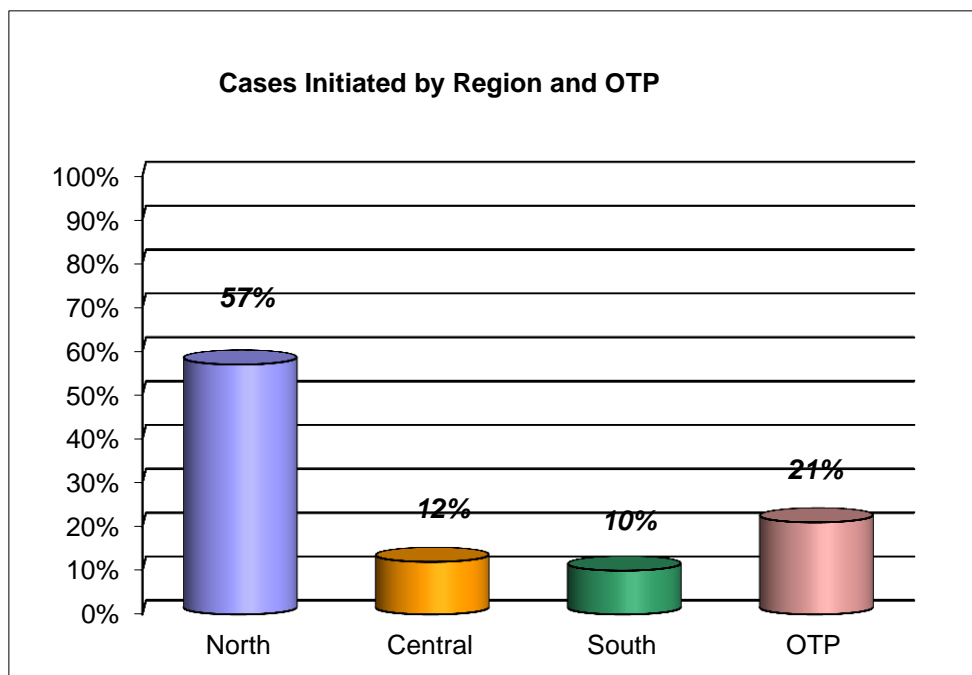
Cases are considered “filed” as of the date a Demand for Arbitration is received by Forthright. Case “initiation” occurs when an initiation letter is transmitted to the parties.

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 4<sup>th</sup> quarter of 2013, 13,609 cases were initiated in the PIP dispute resolution program. Of these cases, 7,762 (57%) were initiated in the Northern region, 1,656 (12%) in the Central region, and 1,324 (10%) in the Southern region, and 2,867 (21%) 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>
October	2930	671	524	1097	5222
November	2556	457	376	912	4301
December	2276	528	424	858	4086
Totals	7762	1656	1324	2867	13609
Percent	57%	12%	10%	21%	



The following table summarizes the initiations for the four 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
Q3 2013	7,704	1,729	1,562	2,872	13,867
Q4 2013	7762	1656	1324	2867	13609

### 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 4<sup>th</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>
270	51	121	7	449

### DISPOSITION OF CASES IN THE PIP ARBITRATION PROGRAM

Of the pending cases in the PIP arbitration program, 14,429 were concluded during the 4<sup>th</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	3732	713	782	558	5785
Dismissed Pre-Hearing	22	2	1	0	25
Settled	3886	932	944	1655	7417
Withdrawn	698	124	112	268	1202
Total	8338	1771	1839	2481	14429

## 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	64%	12%	14%	10%
Dismissed Pre-Hearing	<1%	<1%	<1%	N/A
Settled	52%	13%	13%	22%
Withdrawn	58%	10%	9%	22%

## 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>
636	95	176	0	907

## 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	1339	324	230	1001	2894

\*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. 13,793 cases were assigned to DRPs. Note that 61 DRPs are designated in Appendix A because there was a short overlap of a retiring DRP and a replacement DRP.

Caseload activity of DRPs is represented in Appendix A. The appendix distinguishes in-person cases from on-the-papers 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 3 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 12,450 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 4<sup>th</sup> quarter of 2013 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 3 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>Total</b>	<b>OTP</b>	<b>System-Wide Percent</b>
Awarded/Denied	3792	714	802	5308	571	47%
Dismissed by DRP	22	2	1	25	N/A	<1%
Settled	2490	611	710	3811	1647	44%
Withdrawn	613	110	101	824	264	9%
<b>Total</b>	<b>6917</b>	<b>1437</b>	<b>1614</b>	<b>9968</b>	<b>2482</b>	<b>100%</b>

## REGIONAL AWARDS' PERCENTAGE

A total of 5,879 awards were issued by DRPs concerning requests for emergent relief, standard relief and fee disputes. Of the awards issued for in-person cases, 71% were in the North region, 14% in the Central region, and 15% in the South.

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

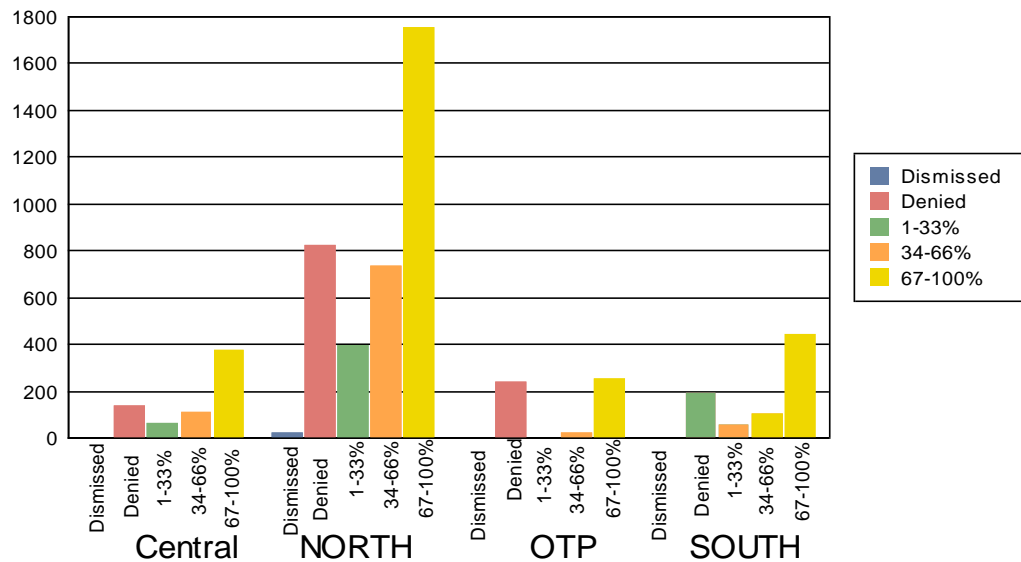


**AWARDS AS A PERCENTAGE OF CLAIM AMOUNT**

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 4<sup>th</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.

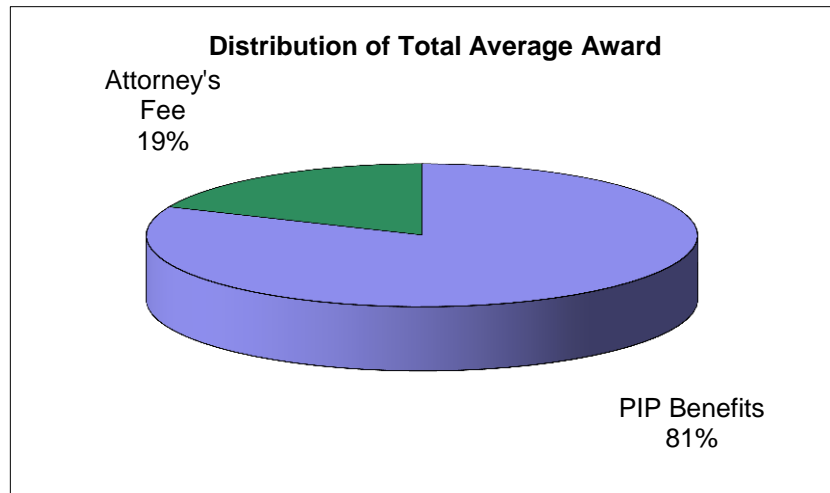
	<b>Dismissed</b>	<b>Denied</b>	<b>1-33%</b>	<b>34-66%</b>	<b>67-100%</b>	<b>Total</b>
IP - Central	2	135	61	110	376	684
IP - North	22	824	394	733	1750	3723
IP - South	1	188	56	103	443	791
OTP	N/A	236	3	21	249	509
<b>Total</b>	<b>25</b>	<b>1383</b>	<b>514</b>	<b>967</b>	<b>2818</b>	<b>5707</b>



\*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 \$4,218, comprised of \$3,436 for personal injury protection benefits and \$782 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 \$3,436\* per case. Awarded amounts ranged from \$0 to \$182,704. The median award during the reporting period was \$987. 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 \$782 per case. Awarded attorney’s fees ranged from \$0 to \$13,750. The median attorney’s fee award during the reporting period was \$935. 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	\$3,436*	\$0 to \$182,704	\$987
Attorney’s Fee Award	\$782	\$0 to \$13,750	\$935

\*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-six (26) 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 five (5) in the South Region. No OTP awards were appealed. Fifty percent (50%) 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	8	3	2	0	13
Modified	4	0	3	0	7
Vacated & Remanded	6	0	0	0	6
<b>TOTALS</b>	<b>18</b>	<b>3</b>	<b>5</b>	<b>0</b>	<b>26</b>

## MEDICAL REVIEW ORGANIZATION REPORT

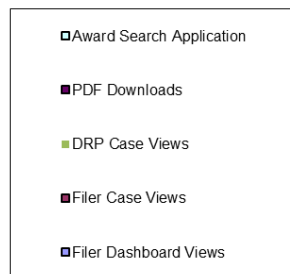
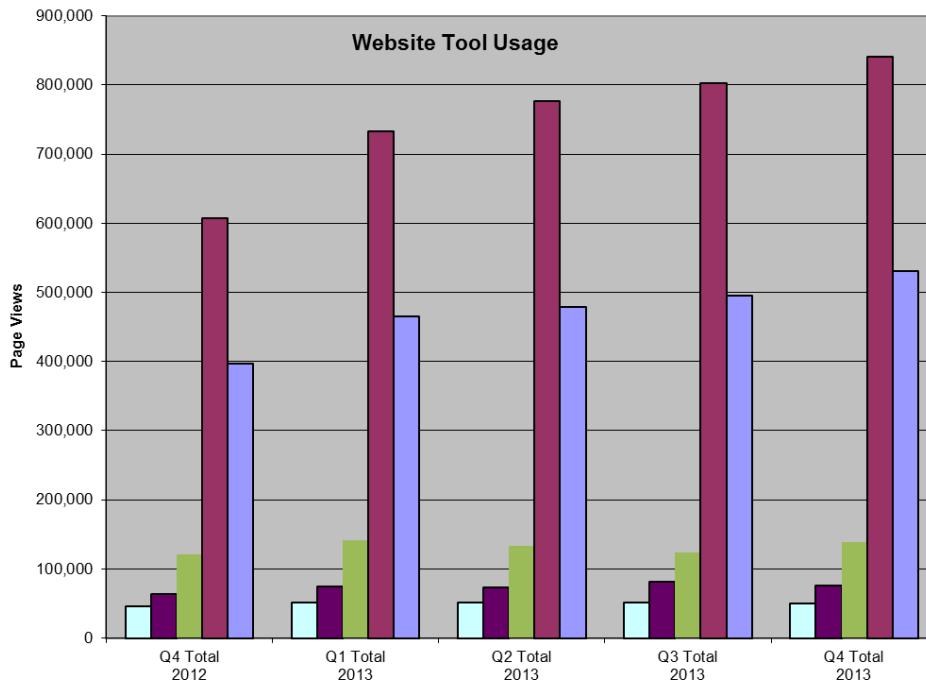
There are currently four Medical Review Organizations certified by the Department of Banking and Insurance. They are ExamWorks, formerly known as CFO Medical Services, First Managed Care Option (“FMCO”), Support Claim Services (“SCS”) and Rising Medical Solutions. Information relevant to MRO usage is 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	12	0	12	0	12	0
FMCO	9	0	9	1	9	0
Rising Medical	10	0	10	0	10	0
SCS	7	0	7	0	6	1
<b>TOTALS</b>	<b>38</b>	<b>0</b>	<b>38</b>	<b>1</b>	<b>37</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. Also, Forthright discovered and corrected an error in the column for “Report After 20 Business Days.” We apologize for the previous inaccuracy.

### 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 five calendar quarters.



## APPENDIX A

DRP	Region	IP Assigned	OTP Assigned	IP Settled/ Withdrawn	OTP Settled/ Withdrawn	IP Awarded/ Denied	OTP Awarded/ Denied	IP Proceedings
Aloi, Anthony M.	CENTRAL	201	62	85	39	73	17	96
Amendola, Francesca	NORTH	199	51	79	31	102	10	119
Andolino, Michael D.	CENTRAL	175	59	58	47	80	13	98
Annunziata, Maria	CENTRAL	191	57	75	37	78	10	91
Campbell, Jennifer M.	NORTH	197	57	77	34	114	8	89
Carnelli, Christopher M.	SOUTH	168	52	89	36	69	12	82
Carro, Sergio G.	NORTH	183	48	74	22	91	10	128
Caserta, Patrick J.	NORTH	189	53	80	30	127	9	107
Cassella, Deborah M.	NORTH	161	55	77	29	103	13	98
Celentano, Cynthia J.	NORTH	140	58	70	37	97	11	113
Croft, Douglas M.	NORTH	168	43	70	20	102	7	106
Damiano, Robert S.	NORTH	136	40	88	23	101	10	84
Daniskas, Maria I.	NORTH	170	56	68	25	74	11	90
de Cordova, Donald W.	NORTH	201	43	82	38	104	7	97
Della Badia, Joseph	NORTH	197	37	89	31	94	8	93
DeMarco, Jodi L.	NORTH	173	51	74	27	84	8	93
DeMarco, Joseph	NORTH	218	31	78	20	83	3	81
Eisele-Grabowski, Karen	SOUTH	131	52	78	40	93	11	98
Fabiano, Edward	NORTH	174	54	58	34	89	15	116
Fannan, John J.	CENTRAL	167	55	78	29	50	10	105
Fazio, Cataldo F.	NORTH	229	53	84	31	87	12	93
Foley, Patrick W.	CENTRAL	179	44	77	37	85	17	82
Ganzhorn, Lisa A.	NORTH	200	41	59	30	103	6	106
Garrabrandt, James H.	NORTH	214	55	77	40	74	8	68
Grabowski, David A.	SOUTH	143	44	90	33	95	7	94
Granato, S. Caroline	SOUTH	130	46	81	26	91	10	108
Hackett, Michael	NORTH	141	50	66	32	88	9	90
Hebron, Sylvia A	NORTH	228	35	82	22	87	6	89
Johnston, Maureen M.	NORTH	253	51	80	41	98	9	100
Kaczka, Thomas M.	NORTH	193	47	80	28	99	13	116
Karbasian, Carolyn K.	SOUTH	131	51	63	28	87	11	103
Keller, Grant W.	SOUTH	157	46	99	42	82	13	105
Kincade, Kathleen D.	CENTRAL	166	55	77	40	56	12	74
Knuetter, Margaret	NORTH	0	0	0	0	44	3	0
La Salle, Robert C.	NORTH	182	46	102	40	97	6	119
LaPorta Esq., David M.	NORTH	164	53	86	29	71	13	87
LaPorta, Phillip A.	NORTH	173	28	93	19	106	5	92
Lardiere, Andrea L	CENTRAL	186	60	69	48	64	8	67
Lesser, Gary T.	NORTH	193	40	91	16	88	8	88
McFadden (LI), Michael K.	SOUTH	18	0	8	0	5	0	8
McFadden, Michael K.	SOUTH	99	32	69	26	98	3	88
Miller, Matthew G.	NORTH	239	36	99	25	129	9	118
Mundy, Lisa D.	NORTH	209	50	62	32	97	11	102
Nardella, George C.	NORTH	222	47	65	36	62	5	96

Noonan, Scott M.	NORTH	187	43	59	31	102	9	135
O'Brien, Matthew J.	NORTH	189	45	53	36	103	10	135
Odell, Barry K.	CENTRAL	202	60	81	45	73	13	95
O'Donnel, Kenneth L.	NORTH	175	31	76	22	97	9	112
Patriaco, Andrew A.	NORTH	216	49	83	29	122	4	101
Pettersen, Nina L.	SOUTH	158	34	76	28	76	10	76
Reis, Karen M.	NORTH	199	43	73	30	79	6	99
Remington-Knodel, Jennifer	NORTH	171	46	73	39	111	12	115
Reynolds, William E.	SOUTH	159	46	104	37	60	8	74
Riva, Joseph J.	NORTH	227	57	77	30	86	6	105
Rivera, Barbara Brosnan	NORTH	299	51	97	29	34	0	95
Sacco, Russ	CENTRAL	177	51	70	37	92	15	119
Sproviero, Scott G.	NORTH	140	51	75	31	105	15	105
Stampone, Vincenzo	NORTH	155	44	73	33	84	8	78
Stokes, Nanci G.	NORTH	170	48	66	26	75	10	92
Tamburino, Joseph A.	NORTH	236	53	83	37	113	13	123
Wallen (NO), Kate R.	SOUTH	10	0	2	0	2	0	2
Wallen, Kate R.	SOUTH	130	36	69	28	66	12	80
Zimmerman, Richard T.	NORTH	157	36	73	33	109	8	105
Total		10,945	2,848	4,649	1,911	5,390	575	5,923

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