



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

No Fault PIP Arbitration  
4th Quarter 2014



FORTHRIGHT

**4<sup>TH</sup> QUARTER 2014 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..... 4

Cases in Abeyance ..... 5

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

Dispute Resolution Professional Caseload..... 5

Disposition of Cases after DRP Assignment..... 5

Regional Awards' Percentage ..... 6

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

PIP Benefits and Attorney's Fees Comparison ..... 7

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

Appeals..... 8

Medical Review Organization Report ..... 8

Online Case Management and Award Searching ..... 9

Appendix A.....

## EXECUTIVE SUMMARY

In the 4<sup>th</sup> quarter of 2014, 14,295 cases were initiated in the PIP dispute resolution program. Of these cases, 7,153 (50%) were initiated in the Northern region, 2,445 (17%) in the Central region, and 1,700 (12%) in the Southern region, and 2,997 (21%) as OTP.

During the quarter, Forthright began expanding the DRP panel from 60 to 65 members for 2015. The DRPs are regionally deployed as follows: 44 in the North; 10 in the Central; 11 in the South. 13,515 cases were assigned to DRPs.

Of the pending cases in the PIP arbitration program, 14,859 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 876 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 \$4,303, comprised of \$3,522 for personal injury protection benefits and \$781 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.

Fifteen (15) appeals to panels of 3 DRPs were concluded during the reporting period. Seven (7) involved awards or dismissal orders rendered in the North Region, six (6) in the Central Region and none in the South Region. Two (2) OTP awards were appealed. Twenty percent (20%) of appeals resulted in some form of vacation or modification.

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

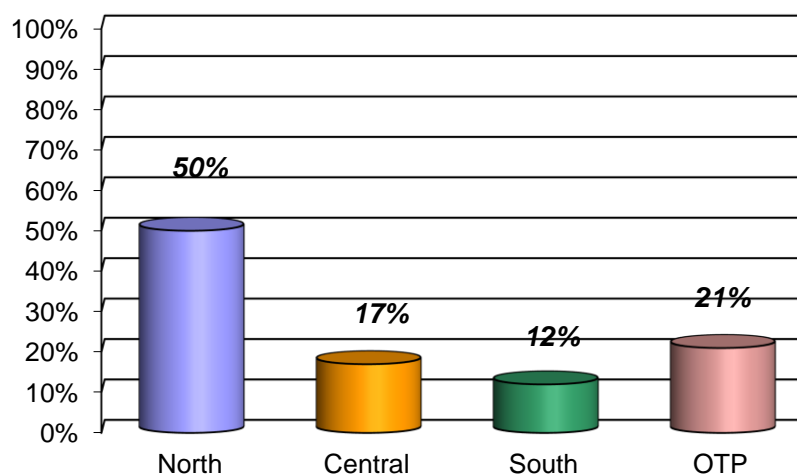
## CASES INITIATED

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 4<sup>th</sup> quarter of 2014, 14295 cases were initiated in the PIP dispute resolution program. Of these cases, 7153 (50%) were initiated in the Northern region, 2445 (17%) in the Central region, and 1700 (12%) in the Southern region, and 2997 (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	2,424	788	707	1,011	4,930
November	2,164	730	479	908	4,281
December	2,565	927	514	1,078	5,084
Totals	7,153	2,445	1,700	2,997	14,295
Percent	50%	17%	12%	21%	



The following table summarizes the initiations for the four quarters of 2014.

	<b>IP - North</b>	<b>IP -Central</b>	<b>IP - South</b>	<b>OTP</b>	<b>Total</b>
Q1 2014	7,852	2,256	1,768	2,853	14,729
Q2 2014	7,053	3,028	1,698	3,013	14,792
Q3 2014	6,499	2306	2,360	2,863	14,028
Q4 2014	7,153	2,445	1,700	2,997	14,295

### 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 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>
110	12	19	44	185

### DISPOSITION OF CASES IN THE PIP ARBITRATION PROGRAM

Of the pending cases in the PIP arbitration program, 14859 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.

\* 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	4,053	661	901	844	6,459
*Dismissed Pre-Hearing	11	3	3	0	17
Settled	3,556	1,081	987	1,525	7,149
Withdrawn	782	125	116	211	1,234
<b>Total</b>	<b>8,402</b>	<b>1,870</b>	<b>2,007</b>	<b>2,580</b>	<b>14,859</b>

### 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	48%	35%	45%	33%
Dismissed Pre-Hearing	<1%	<1%	<1%	N/A
Settled	42%	58%	49%	59%
Withdrawn	9%	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>
674	78	124	0	876

## 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	1,273	382	350	828	2,833

\*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, Forthright began expanding the DRP panel from 60 to 65 members for 2015. The DRPs are regionally deployed as follows: 44 in the North; 10 in the Central; 11 in the South. 13,515 cases were assigned to DRPs.

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 12970 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 2014 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	4,173	678	928	5,779	857	52%
Dismissed by DRP*	11	3	3	17	0	<1%
Settled	2,314	703	646	3,663	1,506	40%
Withdrawn	725	105	107	937	211	8%
<b>Total</b>	<b>7,223</b>	<b>1,489</b>	<b>1,684</b>	<b>10,396</b>	<b>2,574</b>	

\*Not applicable to OTP proceedings

#### REGIONAL AWARDS' PERCENTAGE

A total of 6,636 awards were issued by DRPs concerning requests for emergent relief, standard relief and fee disputes in both in-person and on-the-papers proceedings. Of the awards issued for in-person cases, 63% were in the North region, 10% 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 4<sup>th</sup> quarter of 2014, 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.

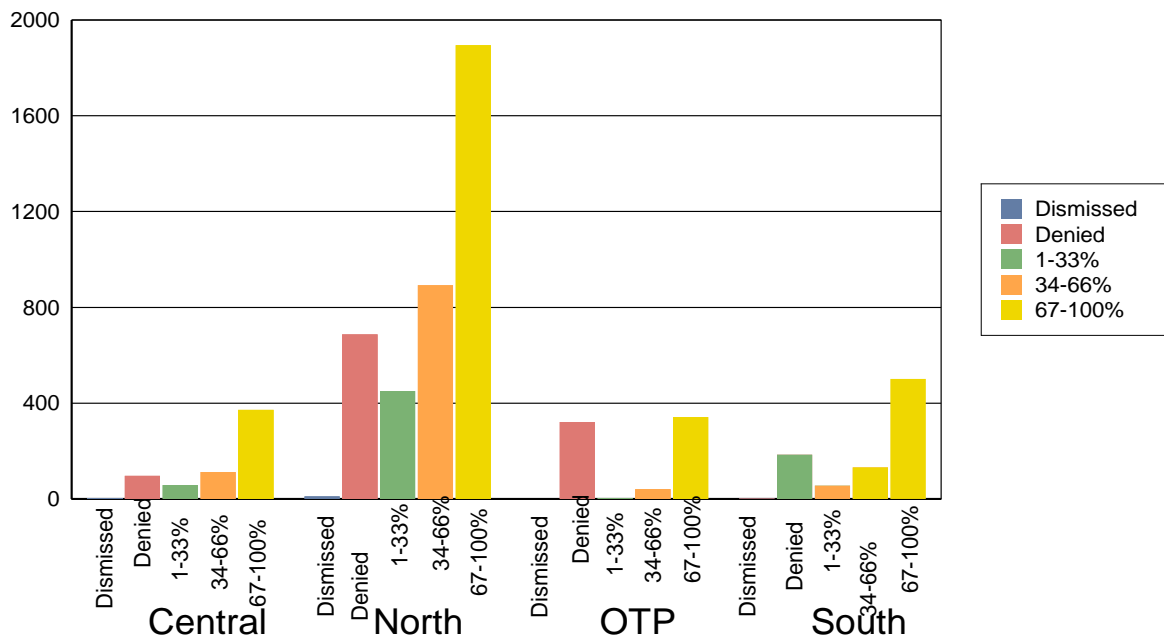
For purposes of the data table and chart below, amended amounts are captured within a total amount claimed and then compared to the total amount awarded.

	<b>Dismissed*</b>	<b>Denied</b>	<b>1-33%</b>	<b>34-66%</b>	<b>67-100%</b>	<b>Total</b>
IP - Central	3	97	58	112	372	642
IP - North	11	687	450	893	1,895	3,936
IP - South	3	185	55	132	501	876



OTP	0	321	4	41	342	708
Total	17	1,290	567	1,178	3,110	6,162

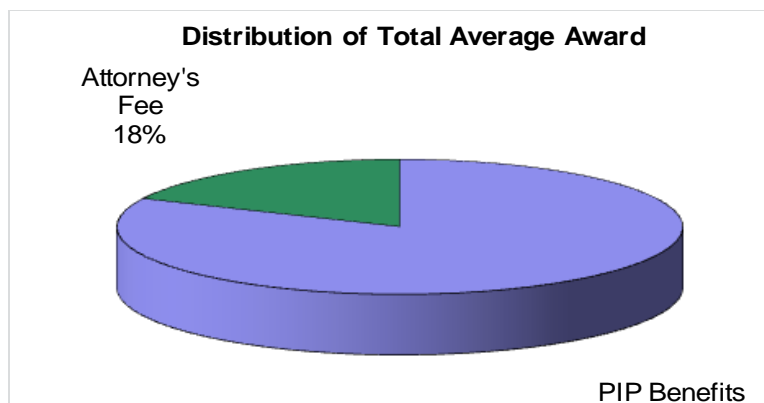
\*Not applicable to OTP proceedings



\*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 \$4,303, comprised of \$3,522 for personal injury protection benefits and \$781 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 \$3,522\* per case. Awarded amounts ranged from \$0 to \$348,492. The median award during the reporting period was \$1,143. 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 \$781 per case. Awarded attorney's fees ranged from \$0 to \$6,870. The median attorney's fee award during the reporting period was \$900. 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	\$3,522*	\$0 to \$348,492	\$1,143
Attorney's Fee Award	\$781	\$0 to \$6,870	\$900

\*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

Fifteen (15) appeals to panels of 3 DRPs were concluded during the reporting period. Seven (7) involved awards or dismissal orders rendered in the North Region, six (6) in the Central Region and none in the South Region. Two (2) OTP awards were appealed. Twenty percent (20%) 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	5	5	0	1	11
Modified	1	0	0	0	1
Vacated	0	1	0	1	1
Vacated & Remanded	1	0	0	0	1
<b>TOTALS</b>	<b>7</b>	<b>6</b>	<b>0</b>	<b>2</b>	<b>15</b>

## MEDICAL REVIEW ORGANIZATION REPORT

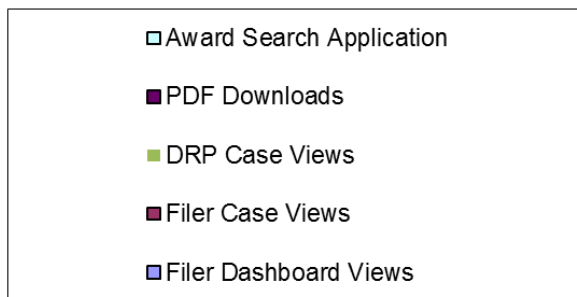
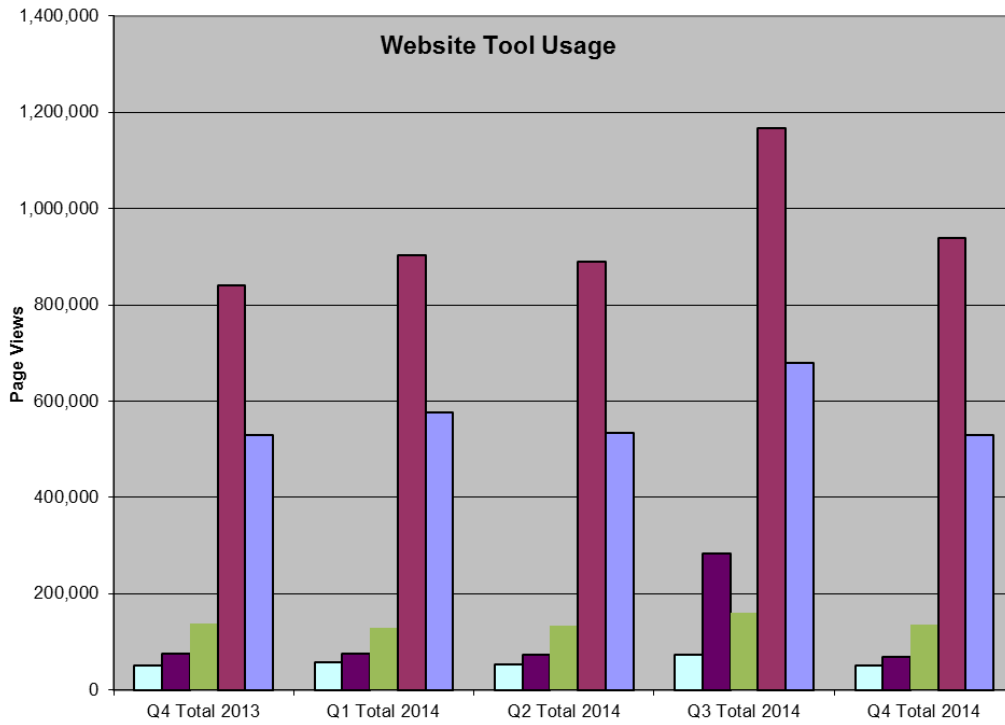
There are currently four Medical Review Organizations certified by the Department of Banking and Insurance. They are ExamWorks, formerly known as CFO Medical Services, First Managed Care Option ("FMCO"), Support Claim Services ("SCS") and Rising Medical Solutions. Information relevant to MRO usage is outlined in the table below.

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

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

#### 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	In Person Proceedings
Aloi, Anthony M.	CENTRAL	168	17	115	19	82	14	91
Amendola, Francesca	NORTH	132	52	63	30	123	23	128
Andolino, Michael D.	NORTH	167	65	98	39	84	10	92
Annunziata, Maria	CENTRAL	191	16	124	21	91	16	94
Barry, Martin M.	CENTRAL	297	0	32	0	0	0	4
Campbell, Jennifer M.	NORTH	166	58	77	32	102	13	104
Carnelli, Christopher M.	SOUTH	145	58	80	36	87	14	85
Carro, Sergio G.	NORTH	173	58	83	25	111	24	103
Caserta, Patrick J.	NORTH	128	53	50	26	114	17	134
Cassella, Deborah M.	NORTH	121	64	78	38	79	15	90
Celentano, Cynthia J.	NORTH	168	59	67	35	94	14	113
Croft, Douglas M.	NORTH	157	50	66	21	85	14	94
Damiano, Robert S.	NORTH	154	40	74	23	95	13	114
Daniskas, Maria I.	NORTH	166	50	67	28	98	14	107
de Cordova, Donald W.	NORTH	0	0	0	0	14	0	0
Della Badia, Joseph	NORTH	141	46	61	23	100	14	112
DeMarco, Jodi L.	NORTH	160	53	86	31	81	13	91
DeMarco, Joseph	NORTH	186	50	72	24	136	8	91
Ducey, John G.	CENTRAL	161	0	3	0	0	0	0
Eisele-Grabowski, Karen	SOUTH	143	62	87	35	89	12	92
Fabiano, Edward	NORTH	194	65	76	27	100	18	102
Fannan, John J.	CENTRAL	153	12	99	11	38	7	82
Fazio, Cataldo F.	NORTH	113	48	59	30	97	18	105
Foley, Patrick W.	CENTRAL	210	16	85	20	103	19	89
Frankland, Suzanne J.	NORTH	383	30	35	5	0	0	0
Ganzhorn, Lisa A.	NORTH	194	56	71	39	109	16	108
Garrabrandt, James H.	NORTH	133	47	45	26	90	15	85
Grabowski, David A.	SOUTH	165	49	95	37	103	13	109
Granato, S. Caroline	SOUTH	167	55	83	25	101	17	104
Hackett, Michael	NORTH	149	49	83	26	113	9	97
Hebron, Sylvia A	NORTH	152	56	85	38	87	12	103
Johnston, Maureen M.	NORTH	133	61	67	20	113	12	112
Kaczka, Thomas M.	NORTH	137	63	84	35	95	10	103
Kaiser, Brian K.	NORTH	200	60	79	24	83	6	100
Karbasian, Carolyn K.	SOUTH	175	57	72	40	97	18	93
Keller, Grant W.	SOUTH	148	65	66	30	98	19	100
Kincade, Kathleen D.	CENTRAL	175	17	94	17	86	11	99
La Salle, Robert C.	NORTH	125	52	74	31	92	9	117
LaPorta, David M.	NORTH	140	57	71	39	80	11	95
LaPorta, Phillip A.	NORTH	171	54	92	30	99	16	102
Lardiere, Andrea L	CENTRAL	178	12	96	14	76	19	94
Lesser, Gary T.	NORTH	109	54	66	23	105	17	105
McFadden (LI), Michael.	SOUTH	24	0	3	0	15	0	13
McFadden, Michael.	SOUTH	128	42	47	24	85	18	93
Miller, Matthew G.	NORTH	182	56	86	25	96	12	104
Mundy, Lisa D.	NORTH	144	44	51	27	119	12	127
Nardella, George C.	NORTH	119	57	54	37	99	14	107
Noonan, Scott M.	NORTH	170	61	75	30	96	12	112
O'Brien, Matthew J.	NORTH	152	44	74	20	96	13	100
Odell, Barry K.	CENTRAL	195	6	78	19	71	20	94
O'Donnel, Kenneth L.	NORTH	139	53	62	34	92	9	113

Patriaco, Andrew A.	NORTH	157	53	76	35	110	8	99
Pettersen, Nina L.	SOUTH	147	52	53	21	92	13	101
Reis, Karen M.	NORTH	146	49	74	32	80	23	116
Remington-Knodel, Jennifer	NORTH	123	49	56	36	107	10	96
Reynolds, William E.	SOUTH	143	38	83	28	113	15	114
Riva, Joseph J.	NORTH	161	67	57	39	107	9	103
Rivera, Barbara Brosnan	NORTH	149	55	68	31	94	10	108
Sacco, Russ	NORTH	147	44	70	31	68	16	93
Sproviero, Scott G.	NORTH	133	50	66	28	125	13	119
Stampone, Vincenzo	NORTH	138	52	61	33	107	8	114
Stokes, Nanci G.	NORTH	105	50	65	25	83	15	97
Sutton, Gregory J.	SOUTH	228	27	20	5	0	0	0
Tamburino, Joseph A.	NORTH	157	62	85	32	109	23	115
Voorhees, Gregory X.	CENTRAL	251	1	13	0	0	0	0
Wallen (NO), Kate R.	SOUTH	5	0	8	0	5	0	3
Wallen, Kate R.	SOUTH	131	46	63	27	89	23	110
Zimmerman, Richard T.	NORTH	115	54	91	25	111	24	98
Total		10517	2998	4599	1717	5799	860	6192

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