



NEW JERSEY DEPARTMENT OF
BANKING AND INSURANCE
QUARTERLY REPORT

No Fault PIP Arbitration
2nd Quarter 2014



FORTHRIGHT

2ND QUARTER 2014 REPORT

TO THE

NEW JERSEY DEPARTMENT OF BANKING AND INSURANCE

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EXECUTIVE SUMMARY

In the 2nd quarter of 2014, 14,792 cases were initiated in the PIP dispute resolution program. Of these cases, 7,053 (48%) were initiated in the Northern region, 3,028 (20%) in the Central region, and 1,698 (12%) in the Southern region, and 3,013 (20%) 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. 14,492 cases were assigned to DRPs. Note that two DRPs are shown as being in both the North and Central regions. This is because those DRPs moved from the Central to the North region during the reporting period.

Of the pending cases in the PIP arbitration program, 14,850 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 999 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 \$4,178, comprised of \$3,415 for personal injury protection benefits and \$763 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.

Thirty-four (34) appeals to panels of 3 DRPs were concluded during the reporting period. Twenty-five (25) involved awards or dismissal orders rendered in the North Region, three (3) in the Central Region and six (6) in the South Region. No OTP awards were appealed. Twenty-six percent (26%) of appeals resulted in some form of vacation or modification.

During the reporting period, parties requested MRO reviews applicable to thirty (30) cases. DRPs did not request any reviews. The requests were apportioned among the four certified MROs on a rotating basis.

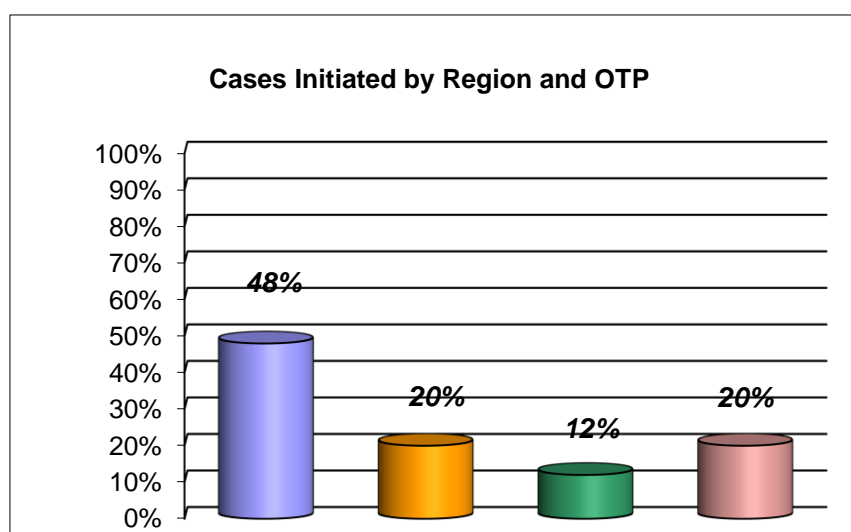
CASES INITIATED

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 2nd quarter of 2014, 14,792 cases were initiated in the PIP dispute resolution program. Of these cases, 7,053 (48%) were initiated in the Northern region, 3,028 (20%) in the Central region, and 1,698 (12%) in the Southern region, and 3,013 (20%) as OTP. See the table below for the monthly distribution.

	IP - North	IP -Central	IP - South	OTP	Total
April	2260	978	494	972	4704
May	2357	967	585	1027	4936
June	2436	1083	619	1014	5152
Totals	7053	3028	1698	3013	14792
Percent	48%	20%	12%	20%	



The following table summarizes the initiations for the first two quarters of 2014.

	IP - North	IP -Central	IP - South	OTP	Total
Q1 2014	7852	2256	1768	2853	14729
Q2 2014	7053	3028	1698	3013	14792

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 2nd quarter and the reason.

Consolidation	Policy Issues	Change of Claim	Voluntary OTP Filings	Total
299	65	76	69	509

DISPOSITION OF CASES IN THE PIP ARBITRATION PROGRAM

Of the pending cases in the PIP arbitration program, 14,850 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 IP geographic regions as well as the OTP category.

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

Disposition Type	IP - North	IP - Central	IP - South	OTP	Total
Awarded/Denied	3881	794	732	734	6141
*Dismissed Pre-Hearing	11	4	1	0	16
Settled	3939	1059	842	1694	7534
Withdrawn	631	124	131	273	1159
Total	8462	1981	1706	2701	14850

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.

Disposition Type	IP - North	IP - Central	IP - South	OTP
Awarded/Denied	46%	43%	40%	27%
Dismissed Pre-Hearing	<1%	<1%	<1%	N/A
Settled	47%	49%	53%	63%
Withdrawn	7%	8%	6%	10%

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.

IP - North	IP - Central	IP - South	OTP	Total
657	91	251	0	999

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.

	IP – North	IP - Central	IP - South	OTP	Total
Settlements	1333	406	239	996	2974

*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. 14,492 cases were assigned to DRPs. Note that two DRPs are shown as being in both the North and Central regions. This is because those DRPs moved from the Central to the North region during the reporting period.

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 12,979 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 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.

Disposition	IP - North	IP - Central	IP - South	Total	OTP	System-Wide Percent
Awarded/Denied	4033	816	758	5607	749	50%
Dismissed by DRP*	11	4	1	16	0	<1%
Settled	2627	650	591	3868	1686	43%
Withdrawn	565	95	123	783	270	8%
Total	7236	1565	1473	10274	2705	

*Not applicable to OTP proceedings

REGIONAL AWARDS' PERCENTAGE

A total of 6,356 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, 72% were in the North region, 15% in the Central region, and 14% in the South.

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

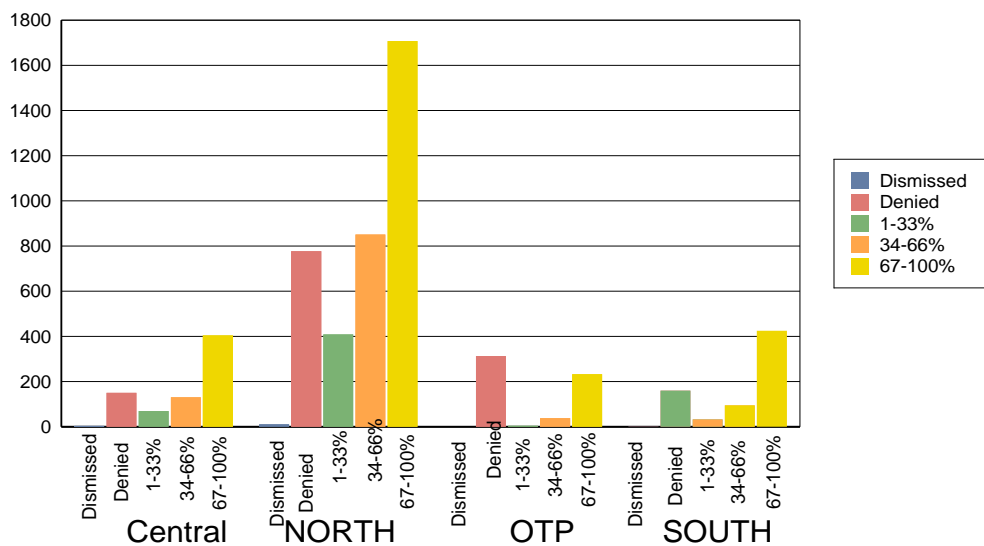
AWARDS AS A PERCENTAGE OF CLAIM AMOUNT

DRPs can deny a claim in its entirety or award all or part of an amount requested by a Claimant. For cases decided in the 2nd 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.

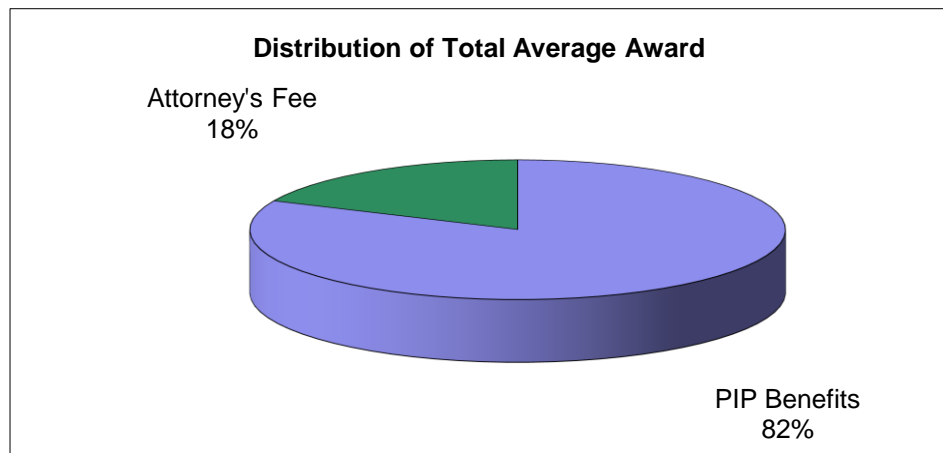
	Dismissed*	Denied	1-33%	34-66%	67-100%	Total
IP - Central	4	150	70	130	404	758
IP - North	11	777	409	851	1707	3755
IP - South	1	160	33	95	425	714
OTP	0	313	4	38	233	588
Total	16	1400	516	1114	2769	5815

*Not applicable to OTP proceedings



PIP BENEFITS AND ATTORNEY'S FEES COMPARISON

System-wide, the average amount awarded in arbitration (excluding filing fees) was \$4,178, comprised of \$3,415 for personal injury protection benefits and \$763 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 \$3,415* per case. Awarded amounts ranged from \$0 to \$240,236. The median award during the reporting period was \$900. 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 \$763 per case. Awarded attorney’s fees ranged from \$0 to \$6,500. 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.

	Average	Dollar Range	Median
PIP Benefits’ Award	\$3,415*	\$0 to \$240,236	\$1,048
Attorney’s Fee Award	\$763	\$0 to \$6,500	\$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

Thirty-four (34) appeals to panels of 3 DRPs were concluded during the reporting period. Twenty-five (25) involved awards or dismissal orders rendered in the North Region, three (3) in the Central Region and six (6) in the South Region. No OTP awards were appealed. Twenty-six percent (26%) of appeals resulted in some form of vacation or modification. The following table reports the results.

	IP - North	IP - Central	IP- South	OTP	Total
Affirmed	19	2	4	0	25
Modified	5	1	2	0	8
Vacated & Remanded	1	0	0	0	1
TOTALS	25	3	6	0	34

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.

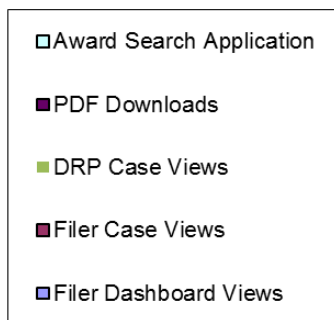
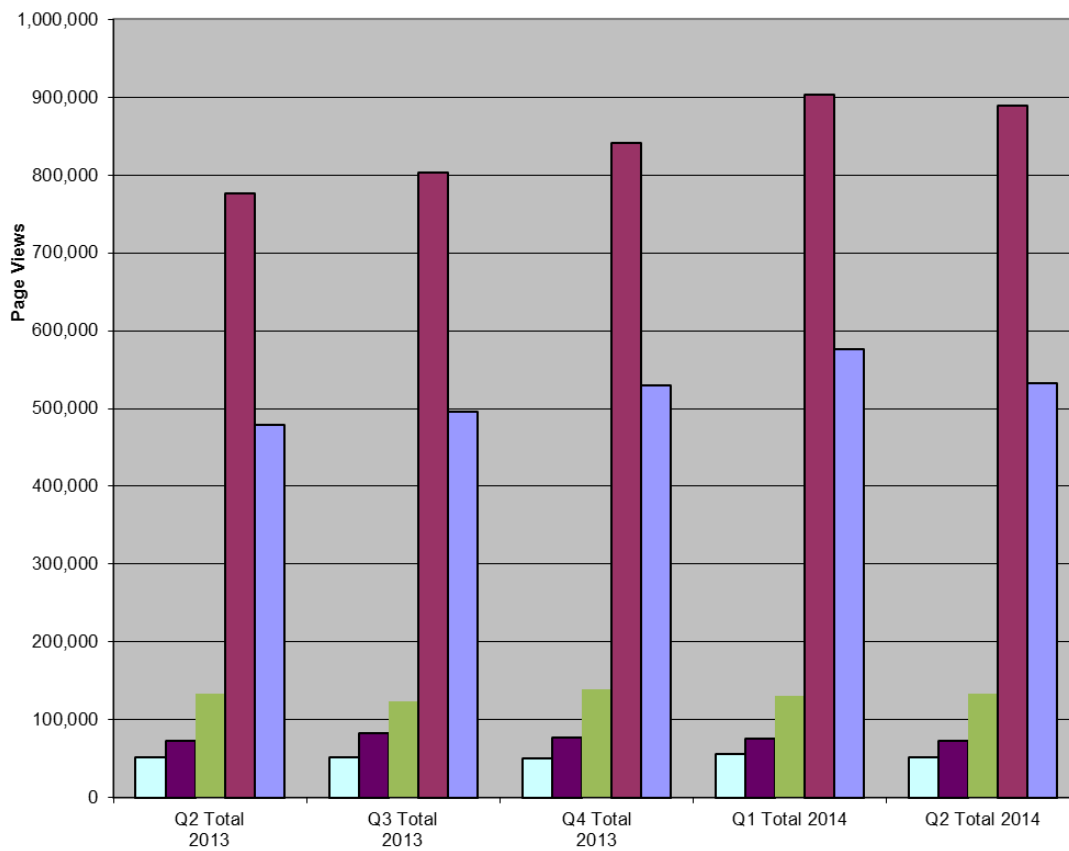
MRO	Request By Party	Request By DRP	Total Requests	Request for Information	Report in 20 Business Days	Report After 20 Business Days
ExamWorks	8	0	8	0	8	0
FMCO	8	0	8	0	8	0
Rising Medical	7	0	7	0	7	0
SCS	7	0	7	0	7	0
TOTALS	30	0	30	0	30	0

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. 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.

Website Tool Usage



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	326	54	87	45	92	17	106
Amendola, Francesca	NORTH	185	58	63	29	112	15	103
Andolino, Michael D.	CENTRAL	0	0	6	1	27	7	25
Andolino, Michael D.	NORTH	358	63	139	35	38	10	51
Annunziata, Maria	CENTRAL	356	56	95	38	107	17	110
Campbell, Jennifer M.	NORTH	111	45	52	40	96	8	117
Carnelli, Christopher M.	SOUTH	166	55	94	40	65	9	87
Carro, Sergio G.	NORTH	157	53	60	26	93	13	118
Caserta, Patrick J.	NORTH	141	54	75	26	84	13	93
Cassella, Deborah M.	NORTH	184	45	91	38	94	11	103
Celentano, Cynthia J.	NORTH	173	46	82	36	99	12	100
Croft, Douglas M.	NORTH	167	54	64	31	117	13	109
Damiano, Robert S.	NORTH	212	54	81	37	81	10	113
Daniskas, Maria I.	NORTH	147	39	74	21	88	16	108
de Cordova, Donald W.	NORTH	92	34	64	30	88	9	90
Della Badia, Joseph	NORTH	166	47	83	28	85	9	111
DeMarco, Jodi L.	NORTH	164	49	78	28	99	17	107
DeMarco, Joseph	NORTH	147	32	57	28	112	8	111
Eisele-Grabowski, Karen	SOUTH	161	58	72	47	70	19	75
Fabiano, Edward	NORTH	110	41	65	17	109	20	130
Fannan, John J.	CENTRAL	330	51	97	37	75	20	80
Fazio, Cataldo F.	NORTH	176	60	69	33	117	15	114
Foley, Patrick W.	CENTRAL	303	56	90	33	65	10	90
Ganzhorn, Lisa A.	NORTH	172	56	83	27	106	12	101
Garrabrandt, James H.	NORTH	160	41	76	32	104	9	143
Grabowski, David A.	SOUTH	143	35	56	28	65	7	72
Granato, S. Caroline	SOUTH	161	56	72	36	83	21	105
Hackett, Michael	NORTH	196	44	56	30	94	10	103
Hebron, Sylvia A	NORTH	144	48	62	34	107	10	106
Johnston, Maureen M.	NORTH	196	58	67	29	127	10	147
Kaczka, Thomas M.	NORTH	160	53	64	25	86	15	82
Karbasian, Carolyn K.	SOUTH	165	62	71	40	78	19	107
Keller, Grant W.	SOUTH	139	62	80	38	88	6	82
Kincade, Kathleen D.	CENTRAL	343	46	92	43	92	13	89
La Salle, Robert C.	NORTH	175	54	65	34	80	11	106
LaPorta Esq., David M.	NORTH	194	45	72	35	82	9	97
LaPorta, Phillip A.	NORTH	184	55	81	29	79	12	90
Lardiere, Andrea L	CENTRAL	314	58	109	36	91	17	93
Lesser, Gary T.	NORTH	157	53	68	32	85	10	98
McFadden (LI), Michael K.	SOUTH	13	0	8	0	7	0	5
McFadden, Michael K.	SOUTH	122	41	47	40	69	12	52
Miller, Matthew G.	NORTH	178	50	92	26	81	9	94
Mundy, Lisa D.	NORTH	178	44	88	33	84	8	101
Nardella, George C.	NORTH	152	46	69	28	117	14	128
Noonan, Scott M.	NORTH	138	51	79	24	108	9	96
O'Brien, Matthew J.	NORTH	162	54	50	32	99	12	112
Odell, Barry K.	CENTRAL	340	54	89	36	90	17	102
O'Donnel, Kenneth L.	NORTH	152	43	60	23	100	8	131
Patriaco, Andrew A.	NORTH	173	40	65	26	105	18	92
Pettersen, Nina L.	SOUTH	170	48	73	39	87	13	102
Reis, Karen M.	NORTH	153	45	77	30	101	13	100
Remington-Knodel, Jennifer	NORTH	194	60	56	40	113	11	111
Reynolds, William E.	SOUTH	200	52	81	42	80	9	83
Riva, Joseph J.	NORTH	120	45	73	38	106	14	118
Rivera, Barbara Brosnan	NORTH	212	55	98	39	99	10	96
Sacco, Russ	NORTH	362	54	129	24	24	15	78
Sacco, Russ	CENTRAL	5	0	9	0	73	7	29
Sproviero, Scott G.	NORTH	233	55	81	39	131	10	108
Stampone, Vincenzo	NORTH	163	33	77	26	101	8	88
Stokes, Nanci G.	NORTH	181	53	101	31	92	13	98
Tamburino, Joseph A.	NORTH	144	59	83	28	108	10	111
Wallen (NO), Kate R.	SOUTH	12	0	14	0	2	0	2
Wallen, Kate R.	SOUTH	154	54	54	30	74	12	81
Zimmerman, Richard T.	NORTH	220	60	84	30	101	10	118
Total		11,466	3,026	4,649	1,956	5,612	751	6,108

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