



NEW JERSEY DEPARTMENT OF
BANKING AND INSURANCE
QUARTERLY REPORT

No Fault PIP Arbitration
2nd Quarter 2015



FORTHRIGHT

2ND QUARTER 2015 REPORT

TO THE

NEW JERSEY DEPARTMENT OF BANKING AND INSURANCE

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EXECUTIVE SUMMARY

In the second quarter of 2015, 13,423 cases were initiated in the PIP dispute resolution program. Of these cases, 7,228 (54%) were initiated in the Northern region, 1,970 (14%) in the Central region, 1,576 (12%) in the Southern region, and 2,649 (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. 13,062 cases were assigned to DRPs.

Of the pending cases in the PIP arbitration program, 14,643 were concluded during the second quarter by means of an award or denial of award (including appeals), pre-hearing dismissal of the case, settlement, or withdrawal. There were 844 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 \$4,088, comprised of \$3,314 for personal injury protection benefits and \$774 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.

Seventeen (17) appeals to panels of 3 DRPs were concluded during the reporting period. Eleven (11) involved awards or dismissal orders rendered in the North Region, none in the Central Region, and two (2) in the South Region. Four (4) OTP awards were appealed. Thirty-five percent (35%) of appeals resulted in some form of vacation or modification.

During the reporting period, parties requested MRO reviews applicable to eighteen (18) cases. DRPs did not request any reviews. The requests were apportioned among the four certified MROs on a rotating basis.

CASES INITIATED

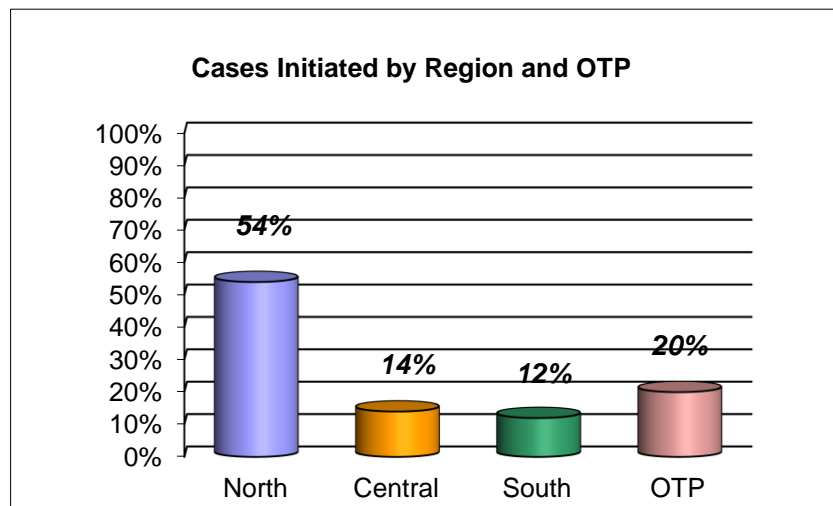
Cases are considered “filed” as of the date a Demand for Arbitration is received by Forthright. Case “initiation” occurs when an initiation letter is transmitted to the parties.

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 second quarter of 2015, 13,423 cases were initiated in the PIP dispute resolution program. Of these cases, 7,228 (54%) were initiated in the Northern region, 1,970 (14%) in the Central region, 1,576 (12%) in the Southern region, and 2,649 (20%) as OTP. See the table below for the monthly distribution.

	IP - North	IP - Central	IP - South	OTP	Total
April	2562	718	467	880	4627
May	2164	598	475	774	4011
June	2502	654	634	995	4785
Totals	7228	1970	1576	2649	13423
Percent	54%	14%	12%	20%	



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

	IP - North	IP -Central	IP - South	OTP	Total
Q1 2015	7137	2175	1541	2899	13752
Q2 2015	7228	1970	1576	2649	13423

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.

Consolidation	Policy Issues	Change of Claim	Voluntary OTP Filings	Total
256	57	53	44	410

DISPOSITION OF CASES IN THE PIP ARBITRATION PROGRAM

Of the pending cases in the PIP arbitration program, 14,643 were concluded during the second 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.

Disposition Type	IP - North	IP - Central	IP - South	OTP	Total
Awarded/Denied	3643	933	892	883	6351
*Dismissed Pre-Hearing	16	5	2	0	23
Settled	3614	1134	786	1605	7139
Withdrawn	610	151	120	249	1130
Total	7883	2223	1800	2737	14643

* 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.

Disposition Type	IP - North	IP - Central	IP - South	OTP
Awarded/Denied	46%	49%	42%	32%
Dismissed Pre-Hearing	(<1%)	(<1%)	(<1%)	N/A
Settled	46%	44%	51%	59%
Withdrawn	8%	7%	7%	9%

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
567	131	146	0	844

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*	1314	341	249	821	2725

** 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. 13,062 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 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 12,967 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 second 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 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	IP - Total	OTP
Awarded/Denied	3855	982	934	5771	897
Dismissed by DRP	16	5	2	23	0*
Settled	2344	791	533	3668	1595
Withdrawn	517	133	115	765	248
Total	6732	1911	1584	10227	2740

* Not applicable to OTP proceedings

REGIONAL AWARDS PERCENTAGE

A total of 6668 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, 67% were in the North region, 17% in the Central region, and 16% in the South.

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

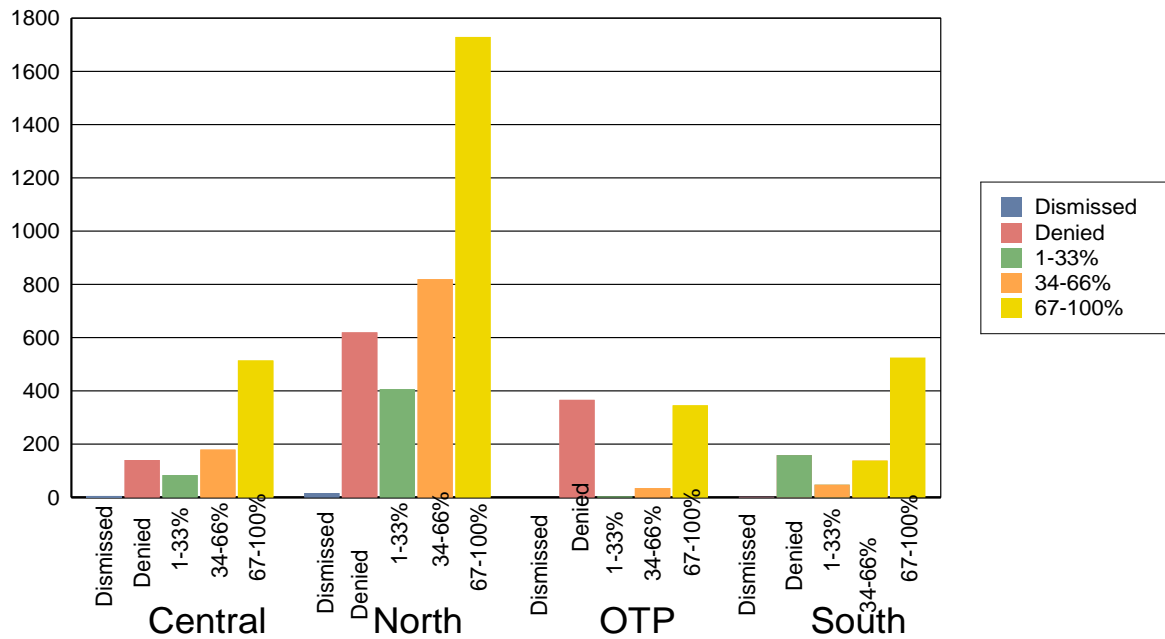
AWARDS AS A PERCENTAGE OF CLAIM AMOUNT

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 second 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.

	Dismissed	Denied	1-33%	34-66%	67-100%	Total
IP - Central	5	140	84	179	514	922
IP - North	16	620	406	820	1729	3591
IP - South	2	159	48	138	525	872
OTP	0*	366	3	35	346	750
Total	23	1285	541	1172	3114	6135

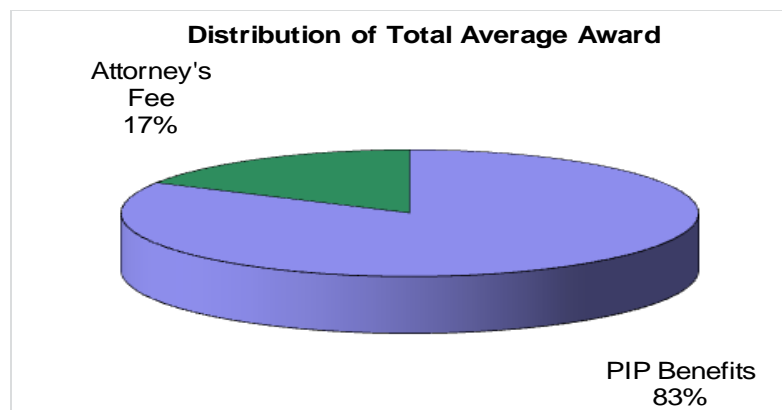
* Not applicable to OTP proceedings



* 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 \$4,599, comprised of \$3,814 for personal injury protection benefits and \$785 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 \$3,814* per case. Awarded amounts ranged from \$0 to \$269,705. 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 \$785 per case. Awarded attorney's fees ranged from \$0 to \$8,500. The median attorney's fee award during the reporting period was \$909. 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	\$3814*	\$0 to \$269705	\$1143
Attorney's Fee Award	\$785	\$0 to \$8500	\$909

* 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

Seventeen appeals to panels of 3 DRPs were concluded during the reporting period. Eleven involved awards or dismissal orders rendered in the North Region, none in the Central Region, and two in the South Region. Four OTP awards were appealed. Thirty-five percent 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	9	0	2	0	11
Vacated & Modified	0	0	0	4	4
Vacated & Remanded	2	0	0	0	2
TOTALS	11	0	2	4	17

MEDICAL REVIEW ORGANIZATION REPORT

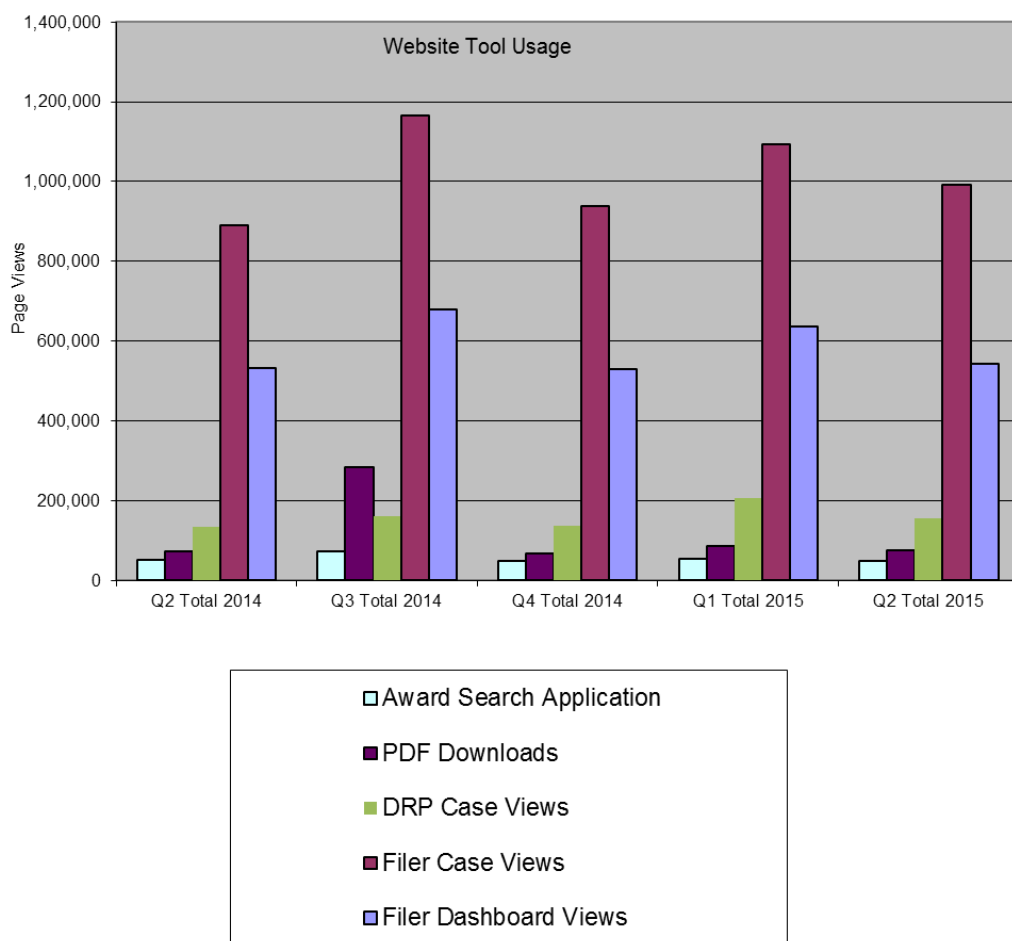
There are currently four Medical Review Organizations certified by the Department of Banking and Insurance. They are ExamWorks, formerly known as CFO Medical Services, First Managed Care Option ("FMCO"), Support Claim Services ("SCS"), and Rising Medical Solutions. Information relevant to MRO usage is 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	5	0	5	1	5	0
FMCO	4	0	4	0	4	0
Rising Medical	4	0	4	2	4	0
SCS	5	0	5	0	5	0
TOTALS	18	0	18	3	18	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 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.



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	135	26	74	14	90	6	100
Amendola, Francesca	NORTH	201	47	68	32	106	22	108
Andolino, Michael D.	NORTH	159	50	79	33	101	13	89
Annunziata, Maria	CENTRAL	142	25	81	7	83	2	87
Barry, Martin M.	CENTRAL	259	36	95	25	68	0	52
Campbell, Jennifer M.	NORTH	146	59	55	36	107	18	143
Carnelli, Christopher M.	SOUTH	127	58	44	42	88	20	86
Carro, Sergio G.	NORTH	97	41	47	28	111	19	104
Caserta, Patrick J.	NORTH	179	41	79	36	85	17	87
Cassella, Deborah M.	NORTH	179	51	76	30	68	17	86
Celentano, Cynthia J.	NORTH	132	42	54	26	102	19	117
Croft, Douglas M.	NORTH	211	32	54	31	108	17	104
Damiano, Robert S.	NORTH	181	55	88	32	79	11	99
Daniskas, Maria I.	NORTH	164	42	61	22	103	22	92
Della Badia, Joseph	NORTH	195	26	69	31	96	11	123
DeMarco, Jodi L.	NORTH	177	40	71	29	97	16	111
DeMarco, Joseph	NORTH	195	35	74	29	96	18	111
Ducey, John G.	CENTRAL	303	38	121	20	61	0	82
Eisele-Grabowski, Karen	SOUTH	116	45	58	33	68	15	86
Fabiano, Edward	NORTH	149	37	66	24	97	24	120
Fannan, John J.	CENTRAL	123	14	96	13	79	3	72
Fazio, Cataldo F.	NORTH	162	61	70	38	107	14	93
Foley, Patrick W.	CENTRAL	140	11	56	13	83	6	93
Frankland, Suzanne J.	NORTH	180	38	63	29	45	5	70
Ganzhorn, Lisa A.	NORTH	144	49	69	30	99	15	109
Garrabrandt, James H.	NORTH	122	43	61	31	81	14	97
Grabowski, David A.	SOUTH	134	27	66	23	85	14	96
Granato, S. Caroline	SOUTH	128	57	54	46	84	25	96
Hackett, Michael	NORTH	188	29	67	26	93	17	109
Hebron, Sylvia A	NORTH	191	48	77	43	91	16	103
Johnston, Maureen M.	NORTH	142	22	76	24	85	22	110
Kaczka, Thomas M.	NORTH	132	47	41	32	86	14	77
Kaiser, Brian K.	NORTH	147	48	72	27	89	21	112
Karbasian, Carolyn K.	SOUTH	105	46	56	23	95	16	127
Keller, Grant W.	SOUTH	142	55	54	34	74	15	100
Kincade, Kathleen D.	CENTRAL	140	31	88	21	79	7	85
La Salle, Robert C.	NORTH	131	56	52	32	64	15	113
LaPorta Esq., David M.	NORTH	145	49	77	30	94	21	109
LaPorta, Phillip A.	NORTH	153	40	67	30	86	17	115
Lardiere, Andrea L	CENTRAL	173	31	78	16	74	7	71
Lesser, Gary T.	NORTH	150	49	69	34	107	15	108
McFadden (LI), Michael K.	SOUTH	10	0	7	0	9	0	4
McFadden, Michael K.	SOUTH	118	29	49	23	84	14	80
Miller, Matthew G.	NORTH	163	43	81	31	62	15	88
Mundy, Lisa D.	NORTH	155	36	68	28	111	10	85
Nardella, George C.	NORTH	139	41	74	27	105	22	117
Noonan, Scott M.	NORTH	157	43	61	33	98	16	92
O'Brien, Matthew J.	NORTH	121	41	50	28	85	15	110
Odell, Barry K.	CENTRAL	162	18	82	15	82	4	77
O'Donnel, Kenneth L.	NORTH	192	27	68	25	100	12	92
Patriaco, Andrew A.	NORTH	149	39	51	30	125	17	116
Pettersen, Nina L.	SOUTH	164	40	78	27	78	18	93
Reis, Karen M.	NORTH	173	47	61	42	83	12	94
Remington-Knodel, Jennifer	NORTH	169	55	64	36	82	12	95

Reynolds, William E.	SOUTH	177	46	67	40	110	13	95
Riva, Joseph J.	NORTH	215	51	84	30	92	20	107
Rivera, Barbara Brosnan	NORTH	160	39	81	33	80	12	96
Sacco, Russ	NORTH	172	47	62	33	69	14	94
Sproviero, Scott G.	NORTH	157	31	65	20	119	14	111
Stampone, Vincenzo	NORTH	159	45	42	29	79	11	95
Stokes, Nanci G.	NORTH	159	43	70	27	98	13	98
Sutton, Gregory J.	SOUTH	146	42	66	32	62	2	85
Tamburino, Joseph A.	NORTH	143	35	53	23	112	19	112
Voorhees, Gregory X.	CENTRAL	286	36	116	21	85	1	85
Wallen (NO), Kate R.	SOUTH	5	0	2	0	5	0	5
Wallen, Kate R.	SOUTH	111	33	43	27	70	13	84
Zimmerman, Richard T.	NORTH	149	48	67	28	92	12	101
Total		10,430	2,632	4,435	1,843	5,771	897	6,363

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