



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

No Fault PIP Arbitration  
3rd Quarter 2014



FORTHRIGHT

**3<sup>RD</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..... 6

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..... 9

Medical Review Organization Report ..... 9

Online Case Management and Award Searching .....10

Appendix A.....

## EXECUTIVE SUMMARY

In the 3<sup>rd</sup> quarter of 2014, 14,028 cases were initiated in the PIP dispute resolution program. Of these cases, 6,499 (46%) were initiated in the Northern region, 2,306 (16%) in the Central region, and 2,360 (17%) in the Southern region, and 2,863 (20%) as OTP.

During the quarter, the DRP panel consisted of 60 members. The DRPs were regionally deployed as follows: 43 in the North; 7 in the Central; 10 in the South. 14,709 cases were assigned to DRPs. Note that Appendix A contains 61 DRPs, representing an overlap as a retiring DRP was replaced by a new DRP.

Of the pending cases in the PIP arbitration program, 14,184 were concluded during the 3<sup>rd</sup> quarter by means of an award or denial of award (including appeals), pre-hearing dismissal of the case, settlement, or withdrawal. There were 914 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 \$4,169, comprised of \$3,386 for personal injury protection benefits and \$783 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-three (23) appeals to panels of 3 DRPs were concluded during the reporting period. Fourteen (14) involved awards or dismissal orders rendered in the North Region, six (6) in the Central Region and three (3) in the South Region. No OTP awards were appealed. Thirty percent (30%) 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.

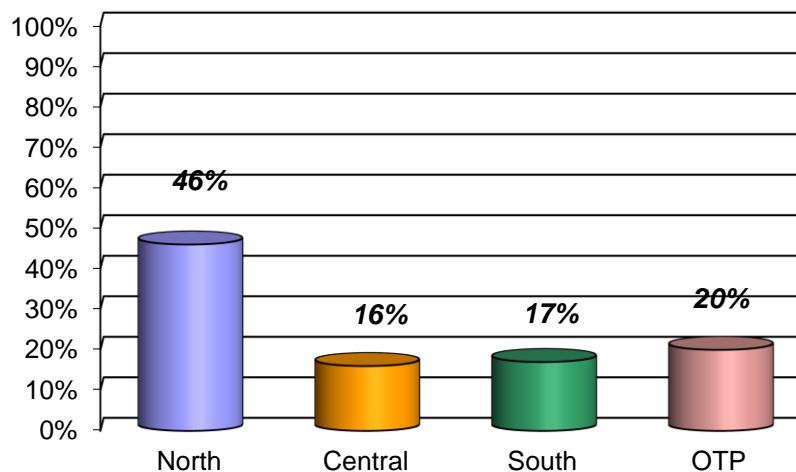
**CASES INITIATED**

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 3<sup>rd</sup> quarter of 2014, 14,028 cases were initiated in the PIP dispute resolution program. Of these cases, 6,499 (46%) were initiated in the Northern region, 2,306 (16%) in the Central region, and 2,360 (17%) in the Southern region, and 2,863(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	2,315	795	705	1,062	4,877
August	2,092	678	863	876	4,509
September	2,092	833	792	925	4,642
Totals	6,499	2,306	2,360	2,863	14,028
Percent	46%	16%	17%	20%	



The following table summarizes the initiations for the first three 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

## 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>
260	43	63	165	531

## DISPOSITION OF CASES IN THE PIP ARBITRATION PROGRAM

Of the pending cases in the PIP arbitration program, 14,184 were concluded during the 3<sup>rd</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	3,531	620	809	696	5,656
*Dismissed Pre-Hearing	10	4	7	0	21
Settled	3,623	1,060	993	1,649	7,325
Withdrawn	694	111	120	257	1,182
<b>Total</b>	<b>7,858</b>	<b>1,795</b>	<b>1,929</b>	<b>2,602</b>	<b>14,184</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	45%	42%	35%	27%
Dismissed Pre-Hearing	<1%	<1%	<1%	N/A
Settled	46%	51%	59%	63%
Withdrawn	9%	6%	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.

<b>IP - North</b>	<b>IP - Central</b>	<b>IP - South</b>	<b>OTP</b>	<b>Total</b>
627	88	199	0	914

## 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	1,164	363	323	876	2,726

\*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: 43 in the North; 7 in the Central; 10 in the South. 14,709 cases were assigned to DRPs. Note that Appendix A shows 61 DRPs, representing an overlap as a retiring DRP was replaced with a new 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 12,343 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 3<sup>rd</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	3,603	635	808	5,046	705	47%
Dismissed by DRP*	10	4	7	21	0	<1%
Settled	2469	688	670	3,827	1,641	45%
Withdrawn	649	93	106	848	255	9%
<b>Total</b>	<b>6,731</b>	<b>1,420</b>	<b>1,591</b>	<b>9,742</b>	<b>2,601</b>	<b>12,343</b>

\*Not applicable to OTP proceedings

## REGIONAL AWARDS' PERCENTAGE

A total of 5,751 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, 71% were in the North region, 13% 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

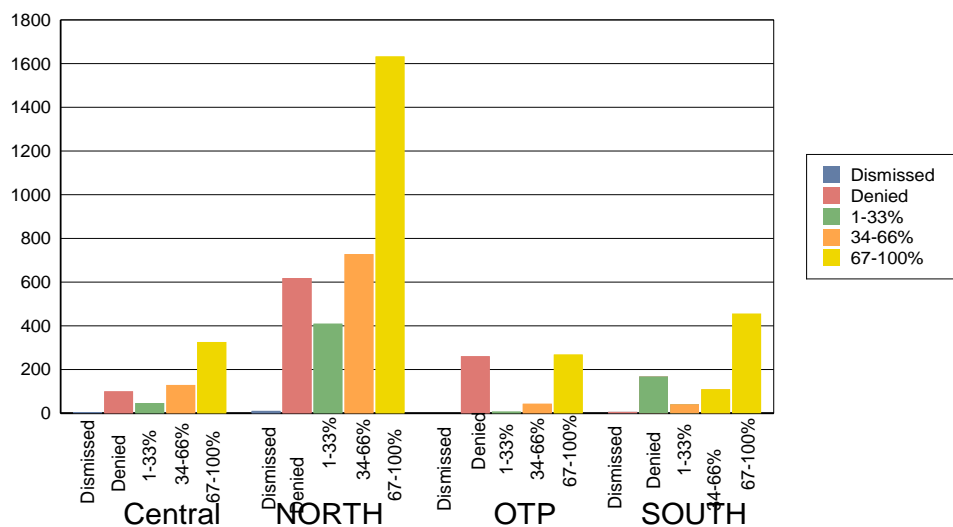
DRPs can deny a claim in its entirety or award all or part of an amount requested by a Claimant. For cases decided in the 3<sup>rd</sup> quarter of 2014, the graph below indicates the distribution of DRP total awarded amounts, from 0% (denied/dismissed) to 100% of claimed amounts. Total awarded amounts 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	4	100	47	129	326	606
IP - North	11	618	410	728	1,632	3,399
IP - South	7	168	41	110	457	783
OTP	0	261	8	44	268	581
<b>Total</b>	<b>22</b>	<b>1,147</b>	<b>506</b>	<b>1,011</b>	<b>2,683</b>	<b>5,369</b>

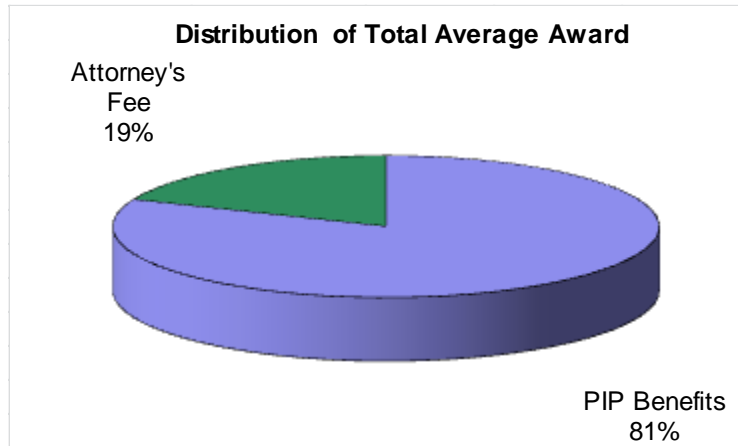
\*Not applicable to OTP proceedings



\*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 \$4,169, comprised of \$3,386 for personal injury protection benefits and \$783 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 \$3,386\* per case. Awarded amounts ranged from \$0 to \$306,881. The median award during the reporting period was \$1,125. 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 \$783 per case. Awarded attorney’s fees ranged from \$0 to \$4,573. 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	\$3,386*	\$0 to \$306,881	\$1125
Attorney’s Fee Award	\$783	\$0 to \$4,573	\$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

Twenty-three (23) appeals to panels of 3 DRPs were concluded during the reporting period. Fourteen (14) involved awards or dismissal orders rendered in the North Region, six (6) in the Central Region and three (3) in the South Region. No OTP awards were appealed. Thirty percent (30%) 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	10	4	2	0	16
Modified	1	0	1	0	2
Vacated & Modified	3	2	0	0	5
<b>TOTALS</b>	<b>14</b>	<b>6</b>	<b>3</b>	<b>0</b>	<b>23</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.

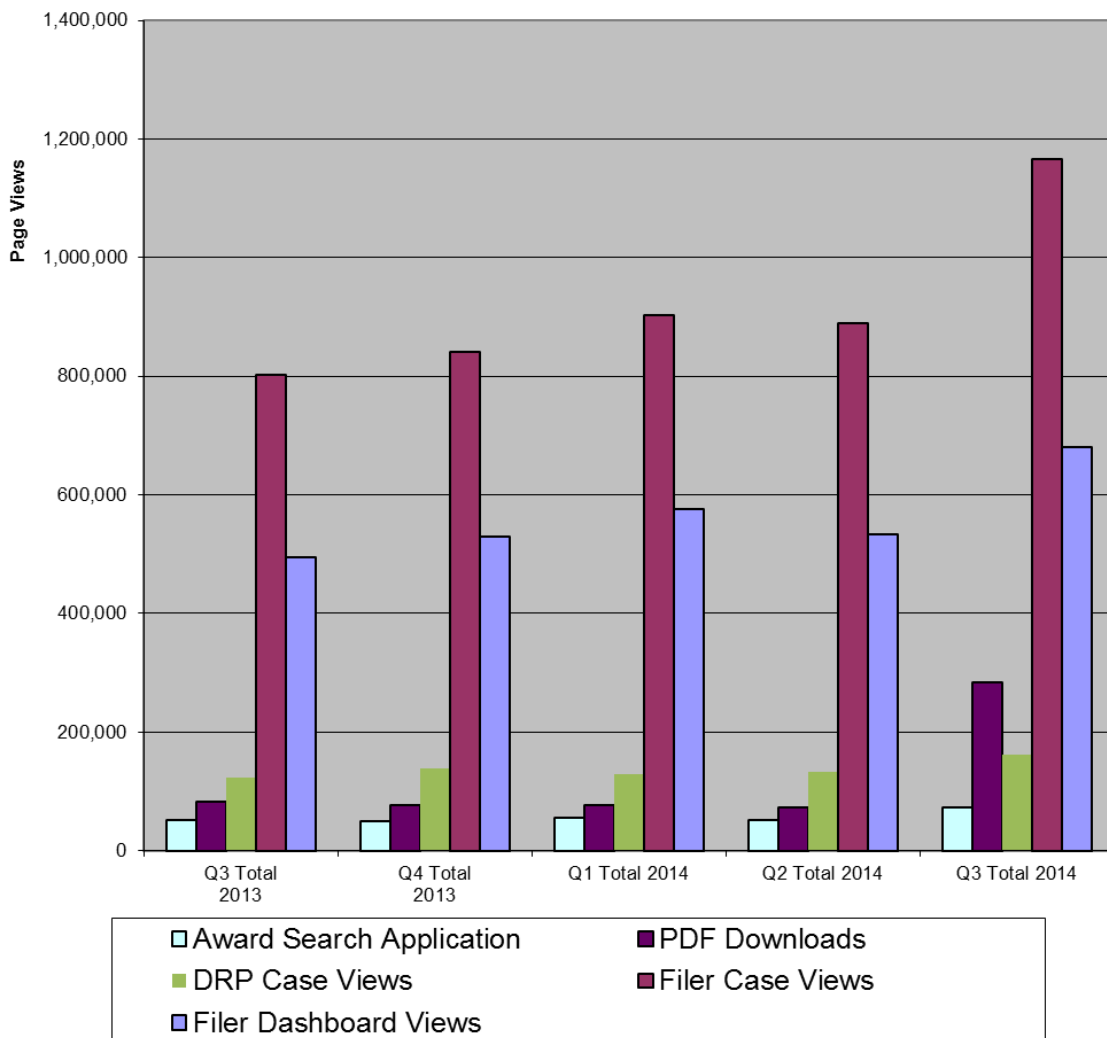
MRO	Request By Party	Request By DRP	Total Requests	Request for Information	Report in 20 Business Days	Report After 20 Business Days
ExamWorks	6	0	6	0	6	0
FMCO	6	0	6	0	6	0
Rising Medical	3	0	3	0	3	0
SCS	6	0	6	0	6	0
<b>TOTALS</b>	<b>21</b>	<b>0</b>	<b>21</b>	<b>0</b>	<b>21</b>	<b>0</b>

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 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	In Person Proceedings
Aloi, Anthony M.	CENTRAL	350	38	94	27	66	10	87
Amendola, Francesca	NORTH	184	60	60	35	72	6	101
Andolino, Michael D.	NORTH	209	48	102	32	53	9	77
Annunziata, Maria	CENTRAL	362	44	118	27	87	8	105
Campbell, Jennifer M.	NORTH	175	60	68	32	88	15	105
Carnelli, Christopher M.	SOUTH	188	51	108	32	84	11	107
Carro, Sergio G.	NORTH	198	54	75	35	94	11	103
Caserta, Patrick J.	NORTH	128	56	69	33	92	10	116
Cassella, Deborah M.	NORTH	165	58	84	37	96	9	102
Celentano, Cynthia J.	NORTH	195	52	83	32	78	10	88
Croft, Douglas M.	NORTH	168	44	78	33	94	10	99
Damiano, Robert S.	NORTH	148	42	77	26	90	11	109
Daniskas, Maria I.	NORTH	153	54	66	32	81	12	100
de Cordova, Donald W.	NORTH	13	0	18	12	80	11	63
Della Badia, Joseph	NORTH	173	45	87	33	76	14	99
DeMarco, Jodi L.	NORTH	182	55	83	34	100	11	112
DeMarco, Joseph	NORTH	156	42	51	24	100	11	140
Eisele-Grabowski, Karen	SOUTH	230	59	95	39	64	9	100
Fabiano, Edward	NORTH	174	54	80	33	72	13	82
Fannan, John J.	CENTRAL	333	38	94	45	59	10	54
Fazio, Cataldo F.	NORTH	189	47	65	33	95	17	118
Foley, Patrick W.	CENTRAL	266	39	91	25	81	18	112
Ganzhorn, Lisa A.	NORTH	168	49	67	25	95	14	114
Garrabrandt, James H.	NORTH	148	40	71	26	123	12	109
Grabowski, David A.	SOUTH	175	53	81	30	72	17	106
Granato, S. Caroline	SOUTH	203	46	65	26	82	17	91
Hackett, Michael	NORTH	189	39	86	34	101	9	128
Hebron, Sylvia A	NORTH	143	39	74	25	101	15	112
Johnston, Maureen M.	NORTH	164	45	63	47	107	11	104
Kaczka, Thomas M.	NORTH	233	56	101	33	60	20	111
Kaiser, Brian K.	NORTH	447	30	35	3	0	0	28
Karbasian, Carolyn K.	SOUTH	202	50	71	27	110	14	113
Keller, Grant W.	SOUTH	190	46	71	29	78	15	97
Kincade, Kathleen D.	CENTRAL	369	43	101	41	63	9	71
La Salle, Robert C.	NORTH	138	58	58	34	77	13	84
LaPorta Esq., David M.	NORTH	163	59	68	35	109	5	107
LaPorta, Phillip A.	NORTH	190	54	86	35	89	4	103
Lardiere, Andrea L	CENTRAL	305	40	102	40	81	10	88
Lesser, Gary T.	NORTH	153	46	74	37	80	14	111
McFadden (LI), Michael K.	SOUTH	16	0	9	0	5	0	11
McFadden, Michael K.	SOUTH	144	38	60	20	43	7	82
Miller, Matthew G.	NORTH	199	48	87	32	90	8	110
Mundy, Lisa D.	NORTH	151	41	73	23	86	12	116
Nardella, George C.	NORTH	198	50	76	33	97	11	94
Noonan, Scott M.	NORTH	205	40	71	38	83	5	109
O'Brien, Matthew J.	NORTH	198	46	79	31	109	17	121
Odell, Barry K.	CENTRAL	294	45	113	25	79	20	100
O'Donnel, Kenneth L.	NORTH	144	42	67	29	101	10	85

Patriaco, Andrew A.	NORTH	153	58	71	33	70	10	118
Pettersen, Nina L.	SOUTH	136	41	73	28	96	16	106
Reis, Karen M.	NORTH	126	50	47	23	100	13	105
Remington-Knodel, Jennifer	NORTH	170	53	64	36	82	15	113
Reynolds, William E.	SOUTH	212	44	75	22	81	11	113
Riva, Joseph J.	NORTH	153	48	70	38	81	16	86
Rivera, Barbara Brosnan	NORTH	183	53	93	38	85	9	101
Sacco, Russ	NORTH	183	59	91	43	79	11	70
Sproviero, Scott G.	NORTH	160	51	83	30	70	10	101
Stampone, Vincenzo	NORTH	182	49	62	25	67	11	91
Stokes, Nanci G.	NORTH	160	44	76	29	78	11	90
Tamburino, Joseph A.	NORTH	194	58	67	39	44	10	75
Wallen (NO), Kate R.	SOUTH	5	0	2	0	7	0	8
Wallen, Kate R.	SOUTH	171	48	66	33	102	17	121
Zimmerman, Richard T.	NORTH	169	45	78	30	82	10	117
Total		11825	2884	4673	1896	5047	705	6099

## Contact us

### Forthright

285 Davidson Avenue, Suite 502

Somerset, NJ 08873

732.271.6100

[www.nj-no-fault.com](http://www.nj-no-fault.com)



FORTHRIGHT