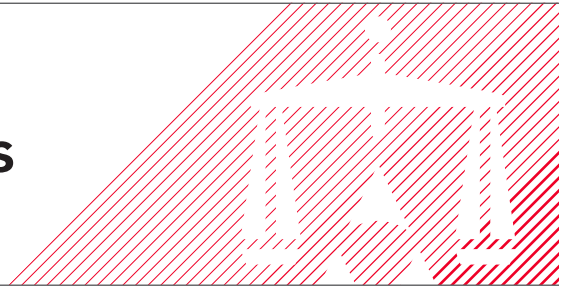




AAA® New York State No-Fault and SUM Programs 2021 Key Statistics



2021: Successful Despite Challenges

Furthering efforts to protect the health and safety of staff, arbitrators, and customers while maintaining a convenient and efficient hearing process, the American Arbitration Association® (AAA) continued with remote work and virtual hearings for no-fault cases.

After several months of conducting virtual hearings on a trial basis, the SUM/UM arbitration program followed suit and now also administers hearings using videoconference options. We expect both programs to remain fully virtual for 2022. Hearings will continue to be scheduled regardless of region. One benefit of de-regionalization has been the ability to provide a diversity of arbitrators not tied to geographical regions. This also eliminated travel time to hearings, which in turn allowed more cases to be heard.

AAA's New York State Insurance (NYSI) division continued to offer remote or work-from-home options to its staff. However, when the threat of the pandemic lessened, the option to work in a hybrid environment was offered to staff who prefer working on site. AAA designed a safe hybrid work environment and schedule to accommodate those employees.

Without the support of the New York State Department of Financial Services (DFS) and the panel of arbitrators working in a cooperative spirit to adapt to our changing environment, we would not have been able to accomplish this. This collaboration aids AAA's continued commitment to providing our NYSI customers with fair, effective, and efficient administration of no-fault and SUM insurance arbitration cases on behalf of the DFS.

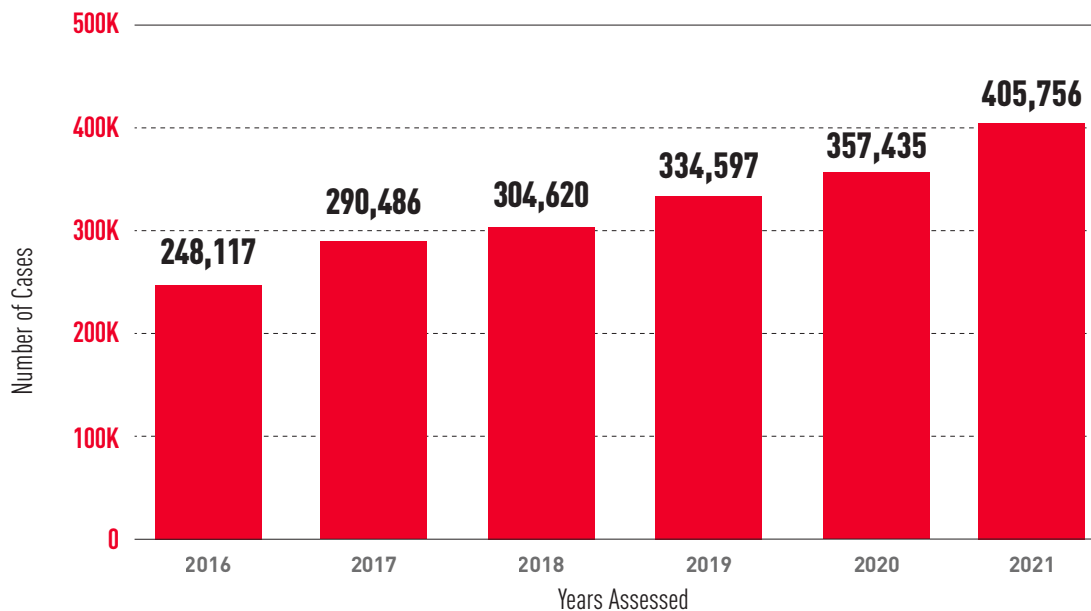
We are happy to share key data for 2021 for these two insurance programs administered by NYSI.

NO-FAULT INSURANCE

The value of claims filed in 2021 totaled \$880 million across 405,756 cases, prior to any amendments that took place after the initial filing. The average disputed amount per case was \$2,163.

Growth in No-Fault Filings 2016-2021

No-fault filings continued on an upward trend in 2021, closing out the year 13.5% over 2020. New filings from 2016 to 2021 have increased 63.5%, highlighting an increase in the number of new applicants entering the forum and existing customers filing more cases year over year.



Filings by Region

Filings in the regions of Nassau and Queens together represented roughly 73% of all no-fault filings in 2021. The volume of filings increased in Manhattan, Nassau, Northwest, Queens, and Suffolk regions. There was a slight dip in filings for Newburgh, North, and Westchester and out-of-state filings compared with 2020.

REGION	CASES FILED 2019	CASES FILED 2020	CASES FILED 2021
Manhattan	15,233	185,28	39,053
Nassau	194,631	207,008	223,502
Newburgh	691	571	526
North	139	39	504
Northwest	7,541	7,777	13,460
Out of State	665	125	78
Queens	60,087	62,694	70,233
Suffolk	49,751	55,310	58,165
Westchester	5,858	5,240	235
Total	334,596	357,292	405,756

Types of Filings

AAA sees different types of claims come through the center year over year. The bulk of our filings continue to be medical claims, but other types of claims include loss of earnings, interest-only cases, and cases requesting attorney fees.



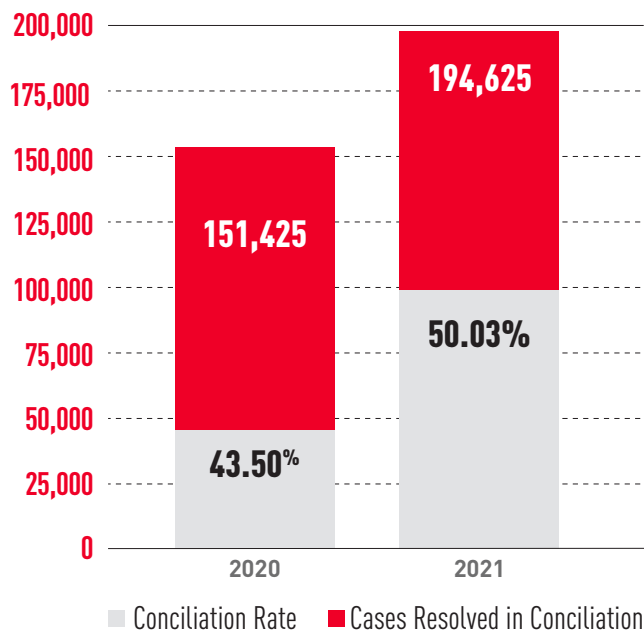
Of note, from 2019 to 2021, medical claim cases rose by 59,096, while cases involving loss of earnings, interest-only, death benefit, and other expenses held at roughly the same amount. There has been a steep reduction in the number of cases that specifically seek attorney fees, and we believe this arose from increased client outreach after the new AR-1 form came into being in 2019. In discussions with AAA, filers learned that the attorney fees are addressed in regulation 68 and do not have to be specifically requested on the AR-1 in order to be addressed in the arbitration.

	2019	2020	2021
Attorney Fees	56,076	1,803	257
Death Benefit	11	34	12
Interest	7,087	3,153	3,182
Loss of Earnings	313	262	256
Medical	334,137	357,048	393,943
Other Expenses	190	159	164
Grand Total	397,814	362,459	397,814

Conciliation

The conciliation rate was 50.03% in 2021, which is a 15% increase from 2020. The number of cases resolved in the conciliation phase also increased, with 194,625 cases resolved. This is an increase of 43,200 cases or 28% from the previous year. The average settlement amount in conciliation was \$1,077.

Resolutions in Conciliation 2020 and 2021

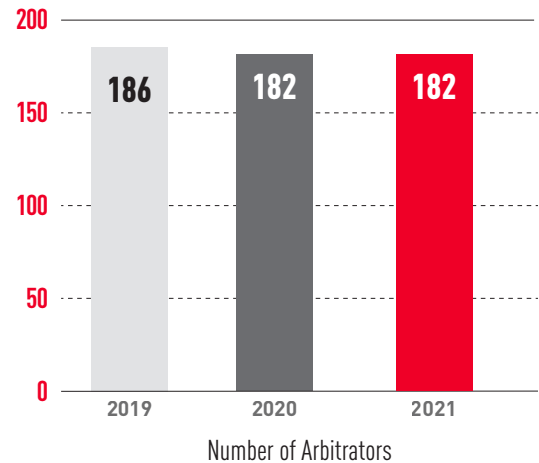




Arbitration

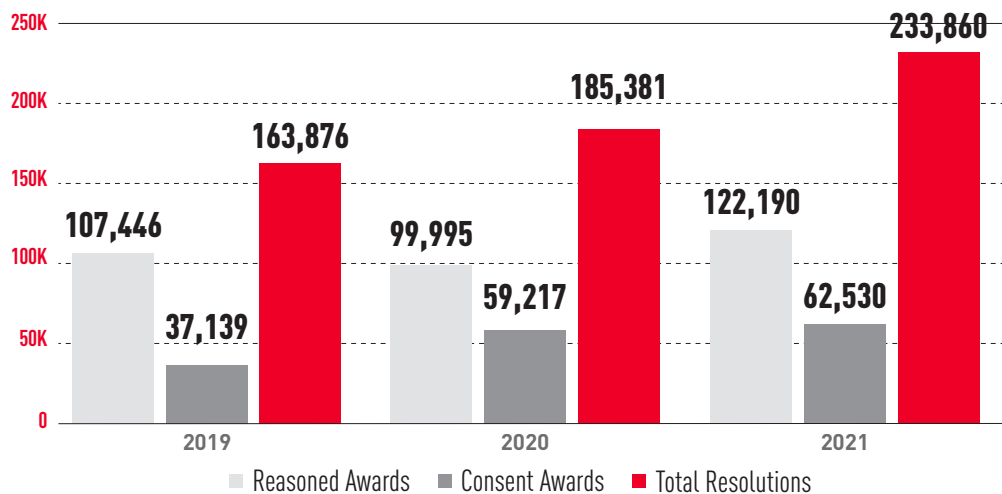
Panel of Arbitrators

The number of arbitrators on the panel during 2021 remained the same at 182, and hearings remained fully virtual. Arbitrators continued to be able to hear cases statewide, as no physical hearing location was necessary with remote hearings. We have seen this positively impact cases currently awaiting a first-time hearing. We decreased the timeframes from filing to first hearing from 389 days in 2020 to 369 days in 2021. The pending inventory of cases in arbitration was also reduced from over 180,000 recorded in January 2021 to under 90,000 by the close of the year.



Arbitration Case Resolutions

Arbitrators conducted 136,817 hearings in 2021, an increase of 14,766 cases or 12.1% from 2020. Due to the upward trend in case filings in 2021 and the increased availability of most arbitrators for hearings, more hearings were conducted. The volume of settlements between the parties also grew exponentially. Total resolutions in 2021 increased by 26.2% compared to 2020. The arbitrators' and the AAA's focus on improving the overall efficiency of the process assisted in driving the increase in resolutions over the last three years. There were 122,190 Reasoned Awards, a 22.2% increase from 2020. Consent Awards increased by 5.6%, from 59,217 cases in 2020 to 62,530 in 2021.



The number of total resolutions includes cases withdrawn and administratively closed in arbitration.

Average Time from Filing to Award

In 2021, the average time from the filing of a case to receiving an award was 15 months, the same as the prior year. The AAA continues to propose recommendations to DFS to improve the overall efficiency of the arbitration process and reduce these timeframes.



Master Appeals

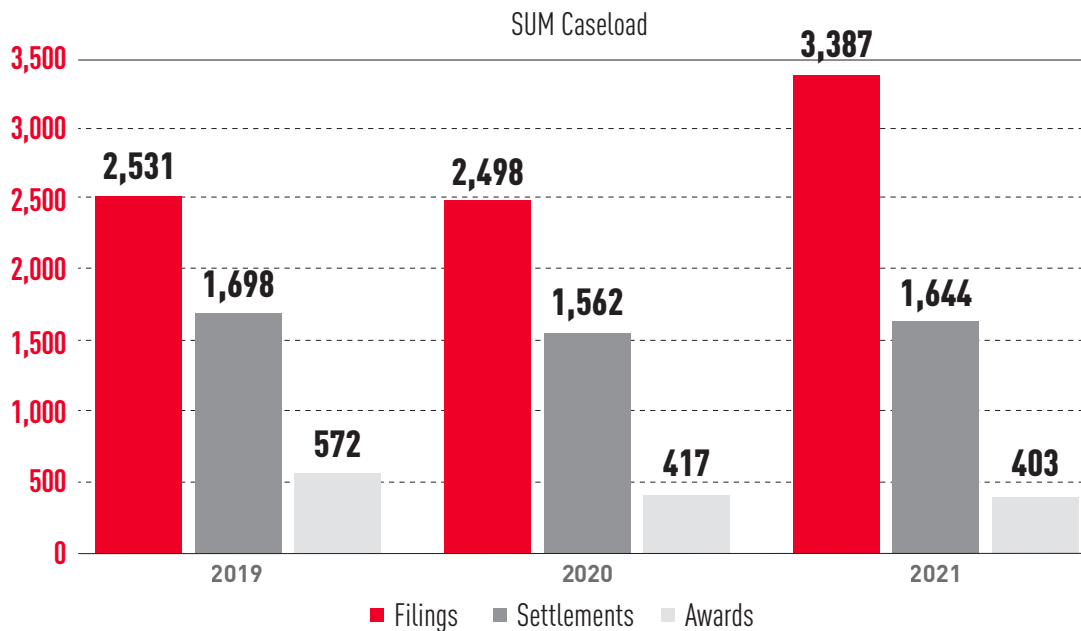
There were 2,767 Master Appeals filed in 2021, an increase of 812 cases, or 41.5%, from 2020 and 2,390 Master Arbitration Decisions. Master Arbitrators affirmed 2,027 of decisions in 2021 issued by the lower arbitrator, an increase of 592 cases.

YEAR	MASTER APPEALS FILED	MASTER ARBITRATION DECISIONS	MASTER APPEALS AFFIRMED
2021	2,767	2,390	2,027
2020	1,955	1,827	1,435

SUM PROGRAM

SUM Filings and Resolutions 2021

SUM filings in 2021 were 3,387 cases, a 35.6% increase from 2020. The number of settlements increased from 1,562 in 2020 to 1,644 in 2021, or 5.2%. SUM arbitrators issued 403 awards in 2021, a slight decrease from 2020 due to the higher number of settlements.



Please contact us with any questions or concerns.

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