



## State of New Jersey

DEPARTMENT OF BANKING AND INSURANCE

OFFICE OF THE COMMISSIONER

PO BOX 325

TRENTON, NJ 08625-0325

TEL (609) 292-7272

CHRIS CHRISTIE  
*Governor*

KIM GUADAGNO  
*Lt. Governor*

KENNETH E. KOBYSLOWSKI  
*Commissioner*

### BULLETIN NO. 13-08

**TO: ALL INSURERS AUTHORIZED OR ADMITTED TO TRANSACT PROPERTY AND CASUALTY BUSINESS IN THIS STATE AND THE NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION**

**FROM: KENNETH E. KOBYSLOWSKI, COMMISSIONER**

**RE: IMPLEMENTATION OF A MEDIATION PROGRAM TO AID IN RESOLUTION OF CLAIMS RELATED TO STORM SANDY**

[Bulletin No. 13-07](#), issued on March 28, 2013, advised that the American Arbitration Association (“the AAA”) has been selected as the Administrator of the Mediation Program established by Order No. A13-106 for unresolved first party claims against homeowners, automobile and commercial insurance policies as a result of Storm Sandy. The purpose of this Bulletin is to advise all authorized property and casualty insurers and the New Jersey Insurance Underwriting Association (“the NJIUA”) that [Bulletin No. 13-07](#) included an erroneous facsimile number to which mediation requests submitted by policyholders to an insurer, rather than directly to the AAA, may be forwarded by the insurer to the AAA. THE CORRECT FACSIMILE NUMBER for submission of requests for mediation to the AAA is 877-304-8457. Insurers and the NJIUA are required to forward all such requests they receive to the AAA within one (1) business day. In addition to doing so via FAX, they may do so via the following methods:

E-mail: [njsandymediation@adr.org](mailto:njsandymediation@adr.org);

Phone: 855-366-9774;

Online: [www.adr.org](http://www.adr.org); or

Traditional Mail: 1101 Laurel Oak Road, Suite 100  
Voorhees, NJ 08043

In addition, insurers are advised that the AAA has designated a specific e-mail address to which insurers and the NJIUA shall send to the AAA information on their primary contact person on mediation requests and issues. That e-mail address is [StormSandyNJinsurers@adr.org](mailto:StormSandyNJinsurers@adr.org).

[Bulletin No. 13-07](#) included a sample of the notice insurers are required by [Order No. A13-106](#) to provide to policyholders who have open and unresolved claims resulting from Storm Sandy as set forth above. The notice advises policyholders with such claims of the availability of the Mediation Program and was to be sent within five (5) business days of the issuance of that Bulletin. Because that sample notice also included an erroneous FAX number for the AAA, the Department is supplying a corrected sample notice, attached hereto as Appendix 1A.

Due to the provision of this corrected sample notice at this time, insurers are advised that the Department will extend the due date for providing the notice of the availability of the Mediation Program to policyholders to Monday, April 8, 2013.

As was the case with Bulletin No. 13-07, this Bulletin implements the provisions of, and should be considered a part of, Order No. A13-106.

April 2, 2013  
Date

  
\_\_\_\_\_  
Kenneth E. Kobylowski  
Commissioner

Attachment: Appendix 1

RJM Bulletin Correction/inoord

## APPENDIX 1A

### Sample Notice from Insurer Regarding DOBI Mediation Program

Dear Policyholder:

The New Jersey Department of Banking and Insurance has established a voluntary mediation program to resolve disputes between insurers and New Jersey policyholders involving claims against homeowners, automobile and commercial insurance policies as a result of Storm Sandy.

Mediation is a process where a neutral third party meets with you and your insurer to help you and your insurer reach an agreement that both parties will accept to resolve the claim. It is non-binding, meaning you do not have to accept the settlement. Policyholders may submit homeowner's, automobile and/or commercial insurance Sandy-related claims where the disputed amount is \$1,000 or more to a mediator who will review the case and assist in settlement discussions.

Your insurance coverage must have been in force at the time Sandy made landfall in New Jersey and the claim must not have been denied or delayed due to reasonable suspicion of fraud. Claims under policies issued by or through the National Flood Insurance Program are not subject to mediation in the Department's program at this time.

Your insurance company pays the cost of the mediator and the program administration unless the policyholder fails to appear, in which case the costs of the cancelled mediation conference and any rescheduled conference are split evenly between both parties. Other expenses you may incur, such as travel to the mediation session, will be your responsibility. The mediator is an independent neutral party with no ties to the insurance company.

You can request mediation by contacting the Mediation Administrator as follows:

American Arbitration Association  
E-mail: [njsandymediation@adr.org](mailto:njsandymediation@adr.org);  
Facsimile: 877-304-8457;  
Phone: 855-366-9774;  
Online: [www.adr.org](http://www.adr.org); or  
Traditional Mail to: 1101 Laurel Oak Road, Suite 100, Voorhees, NJ 08043.

Once you submit your request for mediation to the Mediation Administrator, they will advise if your claim is eligible for mediation within 3 business days and will contact you to schedule your mediation conference. More details about the mediation process are available at [www.adr.org](http://www.adr.org) or at the Department's website [www.dobi.nj.gov](http://www.dobi.nj.gov).

Policyholders may elect to participate in an insurer's internal appeal process [or insurer mediation programs Note: insurers that do not offer a mediation program may delete this phrase] as well as the mediation program established by the Department.

If you have any questions about this letter, please contact us at [insert the name of a person who will handle questions at the insurance company and contact phone number].

Sincerely  
[Insurance Company Information]