



Policy Statement of the Minnesota No-Fault Standing Committee

Amended and Effective October 13, 2017

With regard to the administration of the Minnesota No-Fault Arbitration Rules

The following manual details policies and procedures as promulgated by the No-Fault Standing Committee to be used by the American Arbitration Association in administering cases under the Minnesota No-Fault Arbitration Rules.

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1. Arbitrator Qualifications

Every member of the No-Fault panel of arbitrators must be a licensed attorney for a minimum of five years or a retired attorney or judge maintaining a license to practice in Minnesota.

No-Fault arbitrators must also have at least one-third of their practice involving auto insurance claims. If the arbitrator is not actively representing clients but maintains an ADR practice, at least one-third of the ADR practice must involve motor vehicle claims or no-fault matters.

Arbitrators newly appointed to the panel must complete a training program approved by the No-Fault Standing Committee prior to appointment to a case and, arbitrators already on the panel must complete three hours on No-Fault issues within their CLE reporting period.

Each year, No-Fault arbitrators are required to re-certify that they continue to meet the requirements above. (See Rule 10 of the Minnesota No-Fault Rules)



2. Arbitrator Lists

The AAA submits to the parties the names of four arbitrators randomly selected from within a 50 mile radius of the hearing locale. Upon receipt of the returned lists and preference rating or upon arrival of the due date, the AAA removes the two names that have been stricken and adds the preference ratings of the remaining arbitrators. The arbitrator with the lowest number, in other words, the highest preference rating, will be asked to serve. In the case of a tie (preference ratings 1 and 3 for one arbitrator and 2 and 2 for another) the most mutually preferred arbitrator (2 and 2) would be asked to serve. In a complete tie, the selection is done randomly. Due to the confidential nature of the strike process, the AAA does not disclose a party's strike or order of preference to the opposing side. Parties may disclose this information if they so choose. If a case has more than two parties, the number of arbitrators submitted on the list will be increased to ensure two names remain after all parties have exercised their strikes.

3. Challenge to an Arbitrator's Appointment

When an objection to the service of an arbitrator is received, it is communicated to the other party for comment. When the comments of the other party are received, the AAA evaluates the positions of both parties and seeks information from the arbitrator, as necessary, to make an informed determination.

The AAA reviews whether the potential conflict is continuing, intermittent or a singular occurrence, whether it is recent or distant in time, the nature of the relationship, the frequency of contact, whether or not it is substantial or whether it is direct or indirect. A party may appeal the determination of the Association to the No-Fault Standing Committee.

Upon receipt of an appeal, the AAA will forward all related communications to the Standing Committee for discussion and a vote to reaffirm or remove the appointed arbitrator. Appeals made to the Committee within 30 days of a scheduled quarterly meeting will be discussed at the meeting and a vote will be rendered at that time. The outcome of the vote will be provided to the parties and to the Committee.

4. Arbitrator Conduct Complaints

A complaint regarding the arbitrator's conduct during an arbitration proceeding will be handled as follows:

1. Upon receipt of a complaint by the arbitration organization, the organization will provide a copy of the complaint and supporting documents to the arbitrator. The arbitration organization shall inform the complainant that the arbitrator's award itself may be challenged only in accordance with Rule 38 of the *Minnesota No-Fault Arbitration Rules*.
2. The complaint will be assigned to a Subcommittee to investigate the complaint subject to any conflicts of interest that an individual Subcommittee member might raise with respect to a particular investigation. The arbitration organization will provide the complaint, supporting documents, and any other relevant information to the Subcommittee.
3. The investigating Subcommittee will first interview the arbitrator, then the complainant, and if necessary, the opposing party and/or representative.



4. A member of the Subcommittee shall draft a memorandum, which shall include findings, conclusions, and recommendations. The memorandum will be provided to the full Committee at a quarterly meeting. In the event the recommendation is for suspension, removal, or issuance of a public reprimand of the arbitrator, the arbitrator shall, prior to a vote on the recommendation, be afforded an opportunity to appear before the Standing Committee.
5. A member of the Committee will be designated to draft the Committee's decision. The decision shall include findings, conclusions, and sanctions, if any. The Committee's decision will be circulated to the arbitrator and complainant by the arbitration organization.

5. Hearing Locale

The claimant is asked to specify a requested hearing locale on the petition form. The respondent is given an opportunity to object to the request. If the respondent does not object, the AAA honors the hearing locale requested by the claimant. If the respondent does object, the hearing will be held within a 50 mile radius of the claimant's residence pursuant to No-Fault Arbitration Rule 14.

6. Exhibits and Statement of the Case Books

If an exhibit book prepared by a party is to be provided directly to the arbitrator in advance of the hearing, a copy must simultaneously be provided to the opposing party.

7. Definition of "Claimant"

For purposes of the administration of the *Minnesota No-Fault Arbitration Rules*, the word Claimant shall mean an insured under a policy of no-fault automobile insurance. Claims for economic loss benefits can be made only by the insured.

8. Insurer Initiated Proceedings

Insurers may not initiate mandatory No-Fault arbitration except in cases in which the No-Fault insurer has a claim pursuant to MN Stat. §65B.54.

9. Consolidated Auto Glass Claims

In the absence of a stipulation or court order approving consolidation, the AAA will not accept consolidated auto-glass cases which exceed the jurisdictional limit pursuant to the No-Fault Act.

10. Standing Committee Meetings

The No-Fault Standing Committee meets on the third Friday in the months of January, April, and July, as well as the second Friday in October. Unless directed otherwise by the Committee Chair, the meeting locations alternate between the Minnesota Judicial Center and the AAA offices. Only members of the Standing Committee and the AAA shall be allowed to participate in discussions during the meeting except as invited by the Committee Chair. Anyone who would like an item placed on the agenda for discussion or who would like to address the Committee is asked to submit a written request detailing the item to the AAA as least two weeks prior to the scheduled meeting. All agenda items must be approved by the Committee Chair and submitted to the Committee members prior to the meeting. The Committee Chair has authority to exclude non-Committee member from certain discussions at the Chair's discretion.