



**Manitoba
Public Insurance**

MPI DIRECT REPAIR PROGRAM SUMMARY

**Version 3.3
November 21, 2016**

This report has been prepared as advice, opinions, proposals, recommendations, analyses or policy options developed by or for the public body or a minister, as per Section 23(1) of the Freedom of Information and Protection of Privacy Act.

1. PROGRAM DEFINITION

There are 3 categories of Light Vehicle repair shops in Manitoba that do repair work for MPI:

1. Collaborative Estimating (CE) Repair Facilities
2. Direct Repair (DR) Repair Facilities
3. Direct Repair Plus (DR+) Repair Facilities

The MPI Direct Repair (DR) Program offers MPI customers a choice of service options while allowing the repair facility a greater opportunity to effectively manage its business. The program:

- Is voluntary and open to all MPI accredited Light Vehicle shop repair facilities that meet the additional criteria applicable to each of the DR Programs.
- Requires that DR participants follow the policies and procedures as set out in the Estimating Standards and the MPI Partner website.
- Requires that DR participants, like all accredited repair shops, complete repairs in a cost-effective manner while ensuring safety and quality standards are met.
- Provides participants with access to business systems and software to estimate MPI customers' vehicles.
- Requires that DR participants adhere to MPI defined guidelines for program promotion and communications to the public

2. ENTRY CRITERIA

New applicants must apply and be accepted into the DR program by MPI.

The acceptance will be based on the following criteria:

- The applicant must be an accredited repair facility
- The applicant must not have a documented history (within the previous twelve months) of non-compliance with MPI policies, procedures, or standards
- The applicant must process at least 5 repairs/week for DR and 20 repairs/week for DR+
- The applicant must meet TIER2 EAL requirements as defined in the Earned Approval Program
- The applicant must successfully pass a File Review of a random sample of files submitted for payment by the applicant in the last 12 months as defined in the DR Program Guide

Characteristic/Requirement	Repair Shop Category	
	Direct Repair Shop:	Direct Repair Plus Shop:
Accredited & In Good Standing	Yes	Yes
Minimum Volume: Repairs per Week	5	20
Minimum Composite KPI	60%	60%
Minimum Estimate Quality Score (AAV)	2.63%	2.63%
Earned Authority Level (Tier)	TIER2 or higher	TIER2 or higher
Onsite MPI Presence	Regular	Frequent
Program Start Date	Mar 1 2017	Mar 1 2017
Customer Choice at FNOL	Yes	Yes
% of Repairs Eligible to go direct	25%	100%*

**Note: Will be fully enabled when FNOL application and supporting processes are operational and stable.*

3. PROGRAM STANDARDS

DR applicants and participants are required to comply with all the terms and conditions as outlined in the MPI Estimating Standards, MPI Accreditation Agreement, and MPI Policies & Procedures as published on the MPI Partner Website.

There are three key program standards:

- Quality of Estimate
 - The DR estimate that is submitted for payment is required to comply with MPI Estimating Standards, be complete, and accurately reflect the insured damage to the customer's vehicle under this claim.
 - First estimates and supplements must be submitted before commencing repairs.
- Quality of Service (Customer Satisfaction)
 - Meet or exceed the Net Promoter Score (NPS) target.
- Quality of Repair
 - Participants are required to complete safe, reliable repairs and provide warranties for their work.

The following program standards will be monitored and documented by way of the estimate/supplement approval process, site visits, review of submitted final invoices for payment, or other audit processes determined by MPI. Issues identified in Category 1 and Category 2 may result in the DR participant becoming part of a Performance Review or other action as required.

Category 1

- | | | |
|--|------------------------|-------------------------------|
| • Estimate / Supplement Quality | • Total Loss Indicator | • Photos |
| • Submitting for Unrelated Damages | • Judgment Times | • Confirm Type of Loss |
| • Submitting for Non-Existent Damages | • Customer Complaints | • Betterment |
| • Recycled and Aftermarket Parts Usage | • Repair vs. Replace | • Documenting Multiple Claims |

Category 2

- Billing Unrelated Damages
- Billing for Labour Not Performed / Parts Not Supplied
- Repair Quality Issues, including not Following Proper Repair Policy
- Billing for Non-Existent Damages
- Commencing Repairs Prior to Submitting Estimate / Supplement

4. PROGRAM OVERSIGHT

There are three levels of performance oversight:

1. On-site Inspections
2. Audits
3. Performance Improvement Reviews

The following table depicts the typical performance review structure with timelines and subsequent review results (positive or negative).

Performance Review Structure		
	Positive Performance Review Potential Outcomes	Negative Performance Review Potential Outcomes
Performance Review #1	<ul style="list-style-type: none"> • Potential Upward Tier movement • Return of any or all privileges lost due to earlier negative performance review • Reinstate EAL authority and parts autonomy • Reinstate Customer Search Tool listing • No further action required 	<ul style="list-style-type: none"> • Corrective Action Plan Required • Loss of EAL authority and/or parts autonomy • Removal from the Customer search tool (if downgraded to CE) • Downgraded to next lower tier • Potential increase in the audit sample • Exit from DR program
Performance Review #2 90 Days after Previous Review		
Performance Review #3 90 Days after Previous Review		
Corrective Action Plan Tracking		
Updates based on Plan milestones	<ul style="list-style-type: none"> • Continue with Corrective Action Plan to completion and restoration of lost privileges 	<ul style="list-style-type: none"> • Failure to meet milestones will accelerate timing of next Formal Performance Review

Shops that are not meeting program standards or trending in a negative direction are subject to a Performance Review; however, MPI reserves the right to perform a Performance Review at its discretion. If a shop becomes subject to a Performance Review, the shop may be required to develop a Corrective Action Plan, with milestones, to return to acceptable performance. Such plan must be approved by MPI.