

Background

Accurate application of part types is an integral and required step in the estimating process. It provides transparency for all parties, including the insured, and reduces delays and corrections.

MPI estimators and repair shops are required to maintain currently approved part sourcing software and follow the MPI approved workflows using configurations as prescribed. Manual entries, line discounts, and mark-up lines should only be used as instructed in the MPI Parts Business Rules, Estimating Standards, or applicable job aids.

Repair shops in good standing with the Parts Autonomy program should also reference the Parts Autonomy Privileges section below for rule exemptions earned.

All requests are subject to audit and part selection reviews.

Rules

- 1. The lowest cost option by part type, component, or assembly must be sourced.
 - Shops may use price matching or line discounts to achieve lowest cost option, see <u>Parts</u> <u>Autonomy Job Aids</u> for additional details.
- 2. Shops must provide a Final Repair Account (FRA) accurately, listing all work completed and correctly indicating actual part type usage.
 - Explanation lines must be added when price matching part types.
 - Proper part selections must be made within Mitchell Estimating, incorrect parts must be deleted from the estimate and re-selected (*see procedure below*).
- 3. Shops must support part selections that are not the lowest cost option. A detailed Journal note and supporting supplier documentation must be provided prior to approval. Non-lowest cost part selections must be supported as follows:

Accepted Reasons	Required Support
Poor Quality Recycled (LK)	 Invoice showing the part was ordered at the time of the repairs and clear photos showing that the part does not meet ARA grading requirements. Or written confirmation from the part supplier indicating the part was not graded correctly. Issues with Car-Part listings should also be reported to Car-Part.
Poor Fit Remanufactured & Aftermarket (RM & AM)	 Invoice showing the part was ordered at the time of the repairs and photos that clearly demonstrate how/why the part does not fit. Or an email from the AM supplier confirming the part has a history of fitment issues.



Example

Example 1 (Non-Parts Autonomy)

The repair shop supplements an estimate adding a replacement fender. The Mitchell Alternate Parts Program (MAPP) provides an After Market (AM) fender option which has a lower price than Original Equipment Manufacturer (OEM) and therefore must be selected by the shop. The shop then performs a Car-Part Pro search for a recycled (LK) part. Three recycled fenders are available, and one of the LK fenders costs less than the AM. As this is the most cost-effective option, the shop must add it to their supplement before submitting to MPI for approval.

Tip: Repair shops looking for additional savings to regain Parts Autonomy privileges may add a line discount to the LK price to further increase their Realized Parts Savings (RPS) metric.

Example 2 (Non-Parts Autonomy)

A repair shop has received an aftermarket (AM) hood for their customers vehicle and has begun to test fit the part. During the test, they find that the hood dimensions are not correct, and a proper fit cannot be achieved. The shop completes a secondary search and determines that there are no other alternate part options, and an OEM hood is required. The shop proceeds to change the part type to OEM on the estimate and adds an explanation line to indicate that "poor fit" was the reason for the Non-Lowest Cost part selection. They then upload photos showing the fitment issue and an invoice showing the date the part was ordered. All supporting documentation is now on hand and available should MPI need to validate the shops part selections at a later date.

Tip: Repair shops looking for additional savings to regain Parts Autonomy privileges may add a line discount to the OEM price or reduce the AM markup to further increase their RPS metric.

Parts Autonomy Privileges

Rule 1 does not apply to repair shops with <u>Parts Autonomy</u> privileges **unless** the part is excluded from the Parts Autonomy program.

Rule 3 does not apply to repair shops with Parts Autonomy privileges **unless** they are in a Corrective Action Plan (CAP).

• Shops in a CAP are subject to missed savings recovery and must validate why an available part was not selected.

Best Practices

By following the prescribed workflows and searching for recycled parts on every estimate (including searching for both components and assemblies) will ensure you are aware of all available part options.

Reference

See <u>MPI Parts Business Rules</u>, section 2.1, for maximum pricing by part groups and types.

See the <u>Light Vehicle Accreditation Agreement</u> section 7.7(h) for details related to proper invoicing and section 18(a) for details related to the recovery of costs due to billing and policy errors.

See the <u>Parts Autonomy Job Aids</u> for details on details on selecting parts outside of the normal prescribed workflows or using line discounts and OEM price matching to increase RPS.



Estimate Part Selection

Use the <u>Alternate Parts Suppliers</u> look-up tool if you require assistance finding an alternate part supplier.

See Mitchell <u>Help Files</u> for additional details on adding and deleting parts from an estimate. Refer to the "Select Unqualified Parts to Add to Estimate" section of the <u>Add Parts and Labor (Repair Lines) to</u> <u>Estimate</u> page for additional details on how to locate and select unqualified parts.

Tip: the available search bar can be used to locate specific procedure pages in the help files.

Procedure

Mitchell Cloud Estimating (MCE)

Adding Parts to the Estimate

Follow the steps below to add parts to the estimate:

Begin with the estimate open in Mitchell Cloud Estimating.

- 1. In the **Parts** tab, locate the applicable folder by vehicle area, for example **Front**.
- 2. Select the next applicable folder by part category, for example **Front Lamps**.
- 3. Select the required part from the graphic.
- 4. If there are multiple selections available choose the correct part by side (left, right) and option, for example **R Frt Combination Lamp, SR5 Model w/Trail Pkg**.
- 5. Click Add Line.

Front Lamps Combination Lamp 2010-15:	R&R	R&R Combinatio	V Expand All	Select All			
	0	R Frt Combination Lamp, SRS Model w/Trail Pkg		Operation	Type		Total Units
	T			RR	Body		0.4 #
3 ⊕ ≪ [™] ² 5	Repair	Fart Type		Fart #	Qty	Total Price	144
		New		81130-35530	1	\$ 418.97	~
F 7-00-000 044-11396		Repair Breakeve w/Front Cove More: *	n: 5.7 Units w r Removed	Refinish)	Close		
		L Frt Combination La	imp, SR5 Mod	el w/Trail Pkg			Tetal Units 0.4.#
NOTE: R&R Does Not include aim lamps.	*	R Frt Combination La	amp, SRS Mod	el w/o Trail Pkg	4		Total Units
Labor Only Operations	i		35				0.4.8
1 Combination Lamp	View Details >	L Frt Combination Lamp, SRS Model w/o Trail Pkg					0.4.0
2 High Beam Bulb	View Details >						
3 Low Beam Bulb	View Details 🕽						6
a =	······································		Cancel			Add Line	

Non-Lowest Cost Part Selection

Follow the steps below to request a part that is not the lowest cost available option.

Begin with the estimate open in Mitchell Cloud Estimating.

1. From the Estimate tab, select the applicable line item and then select the drop-down arrow next





to Markup, adjustment, or explanation.

2. Select Add Explanation and enter one of the following reasons.

♦ Job Overview Primary Estimate Original Estimate \$1,502.78 ▼ Commit												
	Send to Car-Part.com					😻 OE Procedures 🛛 🗟 Print < Share PDF ▼ 🖞 Export EMS ▼						
Parts	Filter Repair Lines	Operation	авог Туре	Units	Туре	Number	Qty Price	Тах				
Ê	Front Suspension											
Estimate	R Frt Susp Hub Assy	-M 🚺 Remove/Replace 👻	Mechanical	• 0.9 #	New	▼ 19259807	1 \$ 466.88					
PDF	Includes R&R Rot	tor										
Preview	Delete	+/- Add Markup/Discount	ation 🔻 🖪			Compare Alternate Parts	Cancel	Done				
	Windshield	Add Labor Betterment										
Estimate Profile	W/Shield Glass	Add Part Betterment	ass	2.3#	New	22956417	1 \$615.24	✓				
ð	Additional Costs & Mate	Add Part & Labor Betterment										
Settings	Shop Materials	🗚 Add Refinish Labor					\$21.47 *	×				
Eaedback		Add Additional Labor										
		" " Add Explanation 5										
? Help	Select Lines											

- 3. In the explanation line, enter the applicable reason (see rule 3 above) for the non-lowest cost selection:
 - Poor Quality
 - Poor Fit
- 4. Click Done.

Edit Part Selection from the Estimate Tab

Follow the steps below to edit an incorrectly selected part from the estimate:

Begin with the estimate open in Mitchell Cloud Estimating.

- 1. In the **Estimate** tab, locate the part line that was incorrectly selected.
- 2. Click the line item and click the **Pencil** icon.
- 3. From the drop list select the correct part.
- If you are prompted to compare parts, click **Compare Parts**, then select the correct part.



Estimate Part Selection

< Job Ov	Primary Estimate	Original Estimate	2				\$655.	15 (1.8%) ACV	Commit		
	Send to Car-Part.com					OE Procedures	🖨 Print 🛛 < Sl	hare PDF 🔻 🏦 Ex	port EMS 👻		
	Q Filter Repair Lines	Operation	Labor Type	Units	Туре	Number	Part Qty	Price	Tax		
Parts	Front Door	9									
Estimate	R Frt Door Rear View Mirror Exterior Trim SE, Sport Special Edition Mode	Remove/Replace	▼ Body	▼ 0.4 #	New	▼ 76208-TVA	A42 1	\$ 655.15			
1	w/Trim Panel Assy Remo	Exterior Trim	•								
Preview	💼 Delete 🛛 🕶 M	Part Option				Compare Alternate Parts Cancel Done					
	R Frt Door Trim Panel	R Frt Door Rear View Mirro	or, Sport Model 2 3	0.4							
		Part Number Price 76208-TVA-A42 \$655.15	Type New								
Estimate Profile		Cancel	Apply Changes								
Settings											
? Training & Help	Edit Lines								•		

- 4. Click Apply Changes.
- 5. Click Done.

Accepting Mitchell Parts and Labour Updates on Existing Estimates

Follow the steps below to accept a Mitchell parts or labour update that is available for an existing estimate.

1. Open the claim in Mitchell Cloud Estimating, if an update is available the following pop-up will appear.



- 2. Select Apply Labour Time Updates or Apply Part Price Updates as required.
- 3. Once selected click **Continue Estimate**.

Part Price Updates should only be applied for parts that have not yet been ordered. For example, when a shop first opens an MPI written estimate and part prices have changed since the estimate write date.



Revision History

- June 2021 Updated formatting and added new standard sections (background, examples, parts autonomy privileges, best practices).
- September 2021 Added Mitchell Cloud Estimating procedures and screenshots.
- December 2021 Updated Rule 3 table and examples.
- June 2022 Removed "modify MAPP search" steps from procedures section, not required for MCE.
- September 2022 Added additional reason for part exceptions request in rule #5.
- February 2023 Added new rule, reference entry, and procedure for the removal and reapplication of incorrectly selected parts on the estimate.
- August 2023 Added "edit part selection" steps to the procedure section.
- June 2024 Updated accepted reasons (rule 3) and procedure for applying non-lowest cost parts. Added CAP details to the Parts Autonomy Privileges section.
- January 2025 Added reference link to the Alternate Parts Supplier look-up tool.