



Program & Accreditation Consultation Committee Meeting Minutes

June 20, 2024

2:00 pm to 4:00 pm

Committee Attendance:

- Marnie Kacher, MPI
- John Bowering, MPI
- Denis Cloutier, ATA
- John Vernaus, ATA
- Lynsey Wilson, MMDA
- Norm Bruneau, ATA
- Dean Cooley, MMDA

Regrets:

- Geoff Sine, MMDA

Marnie Kacher chaired the meeting.

MPI Update

MPI has a new Claims division. The responsible vice president, John Bowering, was introduced at this meeting. John will take on the role of committee chair from Marnie Kacher.

The remainder of MPI updates will be covered in the other agenda items.

Action Items from previous meeting's agenda

Recycling Committee

- MPI continues to be interested in exploring this further, while also ensuring actions align with our corporate direction and mandate.
- Pending input from our new leadership team and board, this item will be carried forward to the next meeting.

ATA and MMDA to further review changes to CAP shared at the last meeting and engage with MPI

- Upon review of the provided materials, neither association expressed concerns with the [changes to MPI's corrective action plan \(CAP\) process shared on May 13](#) and further explained in a [dedicated webinar on June 12](#).

Parts Margin Erosion

- The Automotive Trade Association (ATA) has collected some data, currently being aggregated for MPI's review.
- The information was provided voluntarily to the ATA by 25 shops. The respondents were primarily MSOs.
 - Dealer-affiliated repair shops did not participate.

High School Pilot

- Despite unexpected complexity, repairs have progressed well but will continue into the next school year.
- The Manitoba Motor Dealers Association (MMDA) is working on summarizing the costs borne by the school and supporting sponsors.
- Pilot has offered many valuable insights into help with possibly developing an enhanced donation program accessible to eligible secondary schools across Manitoba.

Parts Autonomy (standing agenda item):

The PA CAP webinar offered by MPI on June 12 was discussed and received positive feedback by attendees.

The new realized parts savings (RPS) targets were presented (slide deck attached). Repair shops will see their performance measured against the new targets on the first parallel score card scheduled to be released on July 15. Based on the sample data set reviewed with the working group earlier this year, the aggregate RPS expectation for the PA program was reduced from 20.4% to 19.7%.

Additionally, the new RPS targets are better aligned with [MPI's parts business rules](#) and more accurately reflect the makeup of Manitoba's vehicle fleet. A detailed breakdown of the new RPS targets will be shared via NTT before the end of the month.

MPI offered to provide a dedicated webinar to answer any question about the new RPS targets following the release of the first parallel score card.

Action Item

The ATA & MMDA to confirm if a dedicated RPS webinar is required.

Main Themes from the Winnipeg Town Hall

MPI has kicked off a series of town hall meetings with the first session held in Winnipeg on May 1. The slide deck presented by Ryan Mandell from Mitchell International as well as the deck presented by MPI are available on MPI Partners under the [Industry Consultation](#) section.

The Winnipeg town hall meeting was highly attended by members of the trade. The main themes of the feedback are summarized in the attached slide deck.

MPI plans to offer more town hall meetings in the following locations:

- Brandon -mid-July
- Thompson -August ending
- A virtual session - summer ending.

These town hall meetings are integral to MPI's consultation framework introduced with the 2021 Light Vehicle Accreditation Application (LVAA). They provide an opportunity for the trade to share feedback about the current LVAA and the upcoming 2025 LVAA directly with MPI. MPI appreciates the commitment to meaningful collaboration demonstrated by all attendees and looks forward to future sessions.

Accessories

Following recent discussions with a working group consisting of members from ATA and MMDA aimed at ensuring a clear understanding of the association's concerns with MPI's current parts business rules and their application regarding [Accessories and Special Order Parts](#), MPI informed the committee that it is open to suggestions for changes to streamline the approval and payment process for repair shops. However, MPI will maintain the status quo on compensation for these parts. The ATA expressed its disappointment with this decision.

EAL Review

MPI advised that earned approval limits (EAL) will return to the dollar amounts [published on MPI Partners](#), effective July 2, 2024- these limits were in effect prior to the labour interruption last summer. Using data obtained during the labour interruption and subsequent months while addressing the backlog of claims, MPI committed to analyzing the relationship between EAL and claim severity to determine appropriate EAL amounts, and to balance cost risks and delays with the resources required to administer the EAL program on both sides.

LVAA Consultation

The ATA and MMDA asked for an outline of the consultation process leading up to the 2025 LVAA scheduled to take effect on June 14, 2025. The consultation committees have been productive over the last three years in addressing concerns with policies & procedures on an ongoing basis. While this summer's town hall series and consultation committees will be the primary means of obtaining feedback for the 2025 LVAA and compensation schedule, MPI welcomes additional input from the repair industry. MPI committed to providing a more defined timeline for the consultation process, specifically any applicable deadlines for the industry to submit their input, along with directions specifying the requirements for any supporting data or other relevant documentation.

Action Item

MPI to provide directions to ATA/MMDA regarding data points that would be considered.

MPI to provide timeline for LVAA consultation and window of opportunity for industry input.

Meeting adjourned at 4:00 pm.

Program & Accreditation Consultation Committee

Q2 Meeting

June 20, 2024



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Agenda

From last meeting:

- Recycling committee
- ATA/MMDA to review PA cap changes
- Parts Margin Erosion
- High School Pilot



Agenda

New business:

- Introduce John, our new vice president of the claims division
- Feedback from PA CAP webinar that took place on June 12
- New RPS targets
- Main themes we heard at the Winnipeg townhall
- Tentative plan for additional town hall meetings
- Accessories
- EAL review
- LVAA Consultation



New RPS targets

- The range of expected savings will be maintained, i.e. min. 2.3% and max. 32%
- Vehicles with mileage <20,000 km will have an RPS target of 0%
 - These are not excluded, so any savings provided by a shop help to offset variances on other claims.
- Reduced groupings from 18 to 12 to provide better separation between groups
 - Currently, some targets differ by as little as 0.3%
- Added another age category to help reflect savings more accurately
 - 2 Years Old and Newer, From 3 to 4 Years Old, From 5 to 7 Years Old, Over 7 Years Old

RPS Target Impact	Compositions	Percentage
Target decreases	271	58%
Target remains the same	61	13%
Target increases	133	29%



New RPS Targets

Group	Target
Under 20k Mileage	0.0%
Group 1	2.3%
Group 2	4.5%
Group 3	7.8%
Group 4	9.3%
Group 5	12.5%
Group 6	15.6%
Group 7	18.0%
Group 8	21.3%
Group 9	25.0%
Group 10	28.1%
Group 11	29.3%
Group 12	32.0%



Feedback from Winnipeg Town Hall

Slides & Slido responses are available on MPI Partners: [Town Hall Meeting Minutes](#)

Main Themes:

- Strong support among attendees for targeted compensation
- Theft recoveries are a major source of frustration (this was echoed again during last week's technical & parts consultation committee meeting)
- Too much admin work outsourced to shops – MPI to pay more or do that work themselves, e.g. explaining coverage and insurance terms (betterment, owner-to-authorize, etc.), completing walk-arounds on theft recoveries, etc.
- MPI to reduce duplication of effort, e.g. hail estimates where shops recount all dents regardless of MPI's estimate
- Primary issues affecting the shops in attendance were realized parts savings (RPS) and recruitment



Feedback from Winnipeg Town Hall

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Main Themes – continued:

- From LI, attendees would like us to keep/re-introduce:
 - Increased earned approval limits (EAL)
 - Expanded list of perils eligible for direct repair (DR)
 - Reducing shop reliance on adjuster by sharing max repair cost upon first review by MPI
- Regarding the 2021 LVAA:
 - attendees primarily liked that we added compensation for operations that were not previously compensated but have to be done
 - attendees identified several operations required to facilitate the repair as needing dedicated compensation with admin effort and repair planning being the focus

