MANITOBA PUBLIC INSURANCE SOCIÉTÉ D'ASSURANCE PUBLIQUE DU MANITOBA

Program & Accreditation Consultation Committee Minutes

June 30, 2026

Committee Attendance

Dean Peterson, MMDA
Lynsey Beer, MMDA
Shaun Desmond, MMDA
Denis Cloutier, ATA
Ferd Klassen, ATA
Norm Bruneau, ATA

John Bowering, MPI
Waldemar Koos, MPI
Gordon Froese, MPI

Regrets:

Geoff Sine, MMDA

John Bowering chaired the meeting.

MPI Updates

Hail response

- John provided an update on the June hail event. MPI had received almost 28,000 catastrophe claims, including approximately 27,350 hail claims, and was forecasting approximately 35,000 claims. About 85% of the claims were in Winnipeg, with significant volumes in nearby communities.
- MPI was operating hail estimating capacity at Gateway and Main Street and preparing for successive waves of bookings, supplements, total losses and salvage. The preliminary financial estimate was described as $300 million or more, with incurred amounts expected to change as additional vehicles are assessed.
- The trade reported positive customer feedback on the online claim-reporting process and the extended period available for hail claims. MPI continued to encourage prompt reporting so that the size of the event and required resources could be understood.
- The trade specifically requested that MPI consider broader Direct Repair eligibility for hail claims. Potential controls discussed included targeted or random estimate audits, customer validation and technology-supported documentation such as video. MPI agreed to explore the request and the related control requirements.

- The trade also raised concern with customer messaging that may encourage customers to obtain an estimate from one shop and move the repair elsewhere. MPI agreed to review the messaging with its brand and communications teams.

Loss of Use

- MPI confirmed that the current Loss of Use model will receive a comprehensive review. The model is longstanding and embedded in claim systems and roles, so any changes will require analysis of technology, resources and organizational impacts. The review is expected to take several months and was delayed by the hail response.
- ATA stated that the current model may not fairly reflect actual repair performance and that significant clawbacks are difficult to justify while the model is under review. ATA requested interim relief, while acknowledging that clearly egregious cases may still warrant a clawback.
- Touch time was discussed as one measure for reviewing cases. Approximately 3.0 touch hours per day was identified as roughly top-decile performance, not as a proposed new benchmark. The broader concern applies to the model, including shops operating nearer the reported industry average of approximately 2.4 to 2.5 touch hours per day.
- The ATA offered to provide MPI with examples, claim information and touch-time metrics. MPI agreed to review the examples and consider an interim approach, including whether questionable clawbacks should be paused while the model review is underway.

Theft pilot at PDC

- MPI presented a 12-month theft-claim pilot at the Physical Damage Centre. PDC will complete the vehicle walkaround, document damage, prepare an approved estimate, complete an initial mechanical inspection and address keys, scanning and remediation where required before the vehicle is released or transferred to a repair facility.
- Drivable vehicles may be returned to customers for later repair. Non-drivable vehicles requiring repair will be sent to the customer's chosen shop with an approved MPI estimate. Dedicated estimators will be used where possible to support consistency, and the customer acknowledgement and supporting documentation will be added to the claim file.
- MPI advised that trace-contaminant screening and any required remediation will be documented and followed by verification. The trade asked for clear information on common test locations and remediation status. MPI invited ongoing feedback and agreed to review pilot data, including whether shops are more willing to accept theft vehicles and whether vehicles move through the compound more quickly.

Bailment policy

- MPI presented its bailment policy for vehicles in the care, custody and control of repairers and other service providers. The policy sets expectations for reasonable

key control, security practices, awareness of previous incidents and measures appropriate to the location and level of risk.
- The trade emphasized that a facility should not be considered responsible simply because a loss occurs while a vehicle is in its possession. MPI clarified that recovery would depend on the circumstances and demonstrated negligence, with reasonable precautions and known risks taken into account. Events that could not reasonably be prevented, such as hail, would not by themselves establish negligence.
- The policy will apply beyond accredited collision repair facilities, including mechanical shops, towing companies and storage facilities. MPI planned to distribute the policy to registered account holders and invited feedback on the communication before publication.

ATA Updates

Paint and allied-material compensation

- ATA presented supplier-supported data comparing MPI compensation with manufacturer price increases. ATA stated that the relationship reflected in earlier compensation schedules would require an estimated additional adjustment of approximately 4.6% for paint materials and 18.7% for allied materials.
- ATA requested a more consistent annual adjustment mechanism so that repair facilities do not absorb cumulative supplier inflation between compensation reviews. ATA noted that shops have limited leverage over manufacturer pricing and that the multiplier approach remains simpler than job-by-job costing.
- MPI acknowledged the information and will complete its own due diligence, including comparison with relevant inflation measures and review of the products included in the allied-material basket. The committee supported seeking a presentation from one or more paint manufacturers to explain the drivers of the increases. The manufacturer presentation is intended to supplement the evidence on cost drivers, not determine whether the documented increases occurred.

LVAA amendment request

- ATA proposed removing the exclusion in Section 19.4(b)(iii) of the LVAA so that disputes involving compensation schedules, policies and procedures, estimating standards, rates and fees, and Partner Website directives would be eligible for arbitration.
- MPI agreed to refer the proposal to Legal and invited ATA and MMDA to submit any additional proposed amendments in advance. The committee discussed the possibility that the 2027 review could address both compensation schedules and amendments to the legal agreement itself.

MMDA Updates

Temporary seat-belt repairs

- MMDA raised concerns about repair facilities being asked to perform or facilitate temporary repairs to seat-belt assemblies when OEM parts are unavailable. The

concerns included OEM compliance, occupant safety and repairer liability, particularly where a safety-restraint component is repaired rather than replaced with an OEM or suitable recycled component.
- MPI explained that the practice is intended only as a temporary option and that the shop and customer may decline. The committee did not conclude that the practice was compliant or appropriate in all cases. MPI agreed to investigate how frequently this occurs, the process being used and the related safety and liability concerns.

Parts Autonomy Review

Quarterly performance and audit analysis

- MPI presented the available quarterly Parts Autonomy results, noting that the current-quarter view contained only April and May data. Variances were generally moving closer to target, although the partial-quarter results should not be treated as a complete quarter.
- MPI also compared expected RPS by vehicle group with scorecard performance after removing line discounts, and with savings found through targeted audits. The audit sample was small and opportunity-based rather than representative by vehicle group. MPI stated that the results provided confidence that most group targets were attainable and proposed further analysis of performance within each group and possible regrouping of similar categories.
- MMDA cautioned that meeting an RPS percentage does not establish that the program is financially sustainable for repairers. Shops may meet the target while selling parts below cost or otherwise absorbing losses because of supplier relationships, discount availability or acquisition conditions. MPI acknowledged that its current data does not determine whether shops are making or losing money on those transactions and agreed that this issue should be included in future information gathering.

Parts Autonomy survey

- MPI had deferred the proposed invitation-based survey to avoid overlap with the MNP surveys and reduce survey fatigue. The intent remains to use a focused survey with few or no demographic questions and concentrate on information that can identify program pinch points and support improvements.

MNP Study and Town Halls

- No new MNP study update was available beyond the committee's recent discussion about sampling changes.
- MPI advised that repair-industry town halls were being planned for Brandon, Winnipeg and Thompson in September. ATA and MMDA representatives were invited to participate. Subject to timing and availability, MNP reporting may be included as a topic for shop feedback using an interactive format.

Follow-up tasks:

- ATA to provide MPI with the Loss of Use examples, claim information and touch-time metrics discussed at the meeting.
- MPI to review the Loss of Use examples and consider an interim approach for questionable clawbacks while the broader model is reviewed.
- MPI to explore broader hail Direct Repair eligibility and appropriate controls, including audit, customer-validation and technology-supported options.
- MPI to review customer messaging about moving a claim or repair after a shop has completed the estimate.
- MPI to launch the PDC theft pilot, communicate the process to the trade and monitor feedback and pilot results.
- MPI to review stakeholder feedback on the bailment communication and distribute the policy to registered account holders.
- MPI to validate the paint and allied-material information and work with ATA/MMDA to arrange an information session with one or more paint manufacturers.
- MPI to refer ATA's proposed LVAA Section 19.4(b)(iii) amendment to Legal. ATA and MMDA may submit additional proposed agreement amendments for internal review.
- MPI to investigate the frequency and process of temporary seat-belt repairs and review the related OEM, safety and liability concerns.
- MPI to complete deeper Parts Autonomy analysis by vehicle group and continue development of a focused, invitation-based shop survey that includes financial-sustainability concerns.
- MPI to circulate proposed dates for the Brandon, Winnipeg and Thompson town halls.

Next Meeting

- TBD
- Meeting adjourned: 12:28 pm

June 30, 2026

Programs & Accreditation Consultation Committee

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Agenda

1. MPI Updates
2. ATA Updates
3. MMDA Updates
4. Parts Autonomy Review

MPI Updates

1. Hail Update
2. Loss of Use
3. Theft Pilot
4. Bailment
5. Town Halls
6. SRA Reporting & Audits

June 2026 Catastrophe Response Summary

27,851
Total Cat. Claim Count

85%
Loss Occurrence in Winnipeg

27,350
Hail Cat. Claim Count

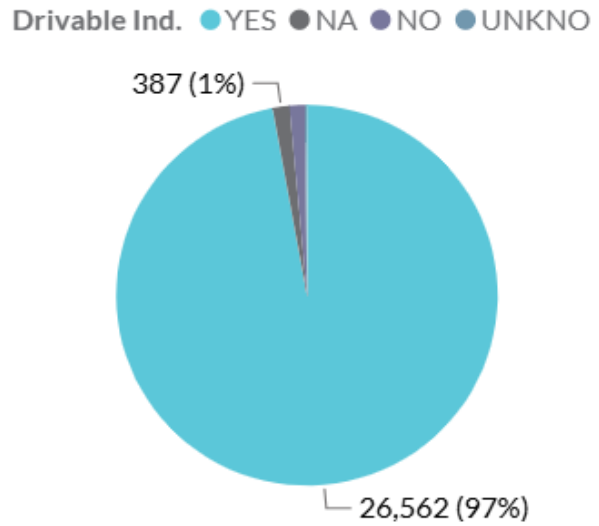
$38,272,729
Amount Incurred to Date

$5,738
Average Incurred

Claim Count by Reported Loss Region

Loss Region	Claim Count
Winnipeg	23,776
Oakbank	559
East St.Paul	475
Beausejour	422
Arborg	319
New Bothwell	209
Stonewall	184
Sanford	177
Grande Pointe	168
Sunnyside	104
Niverville	94
Unknown	86
Ile Des Chenes	73
Headingley	55
Total	**27,851**

Hail CAT Claims by Drivable Indicator



Assigned Service Centres with Claim Count > 200, excluding Winnipeg

Service Centre	Claim Count
Steinbach	574
Selkirk	410
Beausejour	393
Arborg	362
Commercial	267

Claim Counts by Catastrophe Type

Catastrophe Type	Claim Count
Hail	27,350
Flood	400
Windstorm	101

June 30

Theft Pilot 2026/2027

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The pilot is intended to address common challenges associated with theft claims.

- Only theft vehicles at PDC will be part of this pilot
- It will run for approximately 12 months
- Customer will be advised at FNOL

If the vehicle is drivable the customer has the option to take the vehicle from PDC and attend a shop of their choice. If the vehicle is not drivable it will be towed to a shop of their choice.

Shops will receive:

- An approved MPI estimate

Where this process has been completed and the estimate reflects the insured's reported damages, an additional walkaround with the insured at the repair facility is not required.

If shops identify any additional damage (collision) discovered during repair, they can submit supplements with supporting documentation in accordance with MPI estimating standards.

Process

MPI will complete initial inspections and estimate prior to shop.

Shops will no longer be required to complete:

- Customer walkarounds
  - MPI conducted a walkaround with the insured to document reported damages and establish the estimate.
- Initial mechanical inspection
  - MPI has completed the mechanical inspection at the Physical Damage Centre (PDC). Any further mechanical inspection is considered Owner to Authorize (OTA), unless explicitly directed by MPI.

- MPI will obtain/program keys
- MPI will determine if interior cleaning is required
- MPI will determine if remediation is required and completed prior to being released

Questions

June 30

Bailment

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Bailment

Vehicle Care, Custody, and Control

When a vehicle is left in your care, custody, and control, you are considered a bailee and are expected to take reasonable steps to protect that vehicle from damage, loss, or theft.

Definitions

- Bailee – A person or entity entrusted with possession, custody, and control of another person's property.
- Bailor – The owner of the property who entrusts it to another.
- Bailment – The legal relationship created when property is transferred to a bailee for a specific purpose.

Why is this Important

MPI has recently seen an increase in claims of late for vehicles that are at a repair shop and are either stolen or vandalized.

- Many of the shops involved have not taken any special precautions to try to mitigate this loss.
  - Keys left inside the vehicle unlocked
  - Vehicle left outside in an unsecured area

Legal opinion confirmed that under the law of bailment, MPI can successfully bring a subrogated action against repair shops who had care, custody, and control of MPI-insured vehicles and where the vehicle was damaged/stolen.

We want to educate shops on how they can protect themselves.

MPI will consider the following when determining potential subrogation:

1. Key Control and Security
2. Awareness of Prior Incidents and Risk Mitigation
3. Physical and Operational Security

Considerations

Key Control and Security

- All vehicle keys must be secured at all times when not in active use.
- Keys must be stored in a locked and controlled environment (e.g., locked cabinet, secure key system, or restricted access area).
- Keys must not be left unattended in the vehicle.
- Failure to properly secure keys may be considered negligent if loss or damage occurs.

Awareness of Prior Incidents and Risk Mitigation

- Bailees are expected to maintain awareness of any prior incidents at their premises, including theft, vandalism, or unauthorized access.
- Where a history of incidents exists, bailees must take reasonable and proactive steps to address identified risks.
- Failure to adjust practices despite known risks may demonstrate a heightened breach of duty, particularly where prior incidents exist.

Considerations

Physical and Operational Security

- Bailees should ensure that appropriate security measures are in place based on the nature of the location and level of risk.
- Reasonable security measures may include:
  - Adequate perimeter fencing or controlled access points
  - Sufficient lighting, particularly in storage and parking areas
  - Security cameras (CCTV) covering key areas
  - Alarm systems or monitored security services

General Expectations

- Bailees must be able to clearly demonstrate that reasonable, proactive, and documented measures were in place at the time of the loss.
- MPI may pursue recovery based on breach of bailment and failure to meet the required standard of care, consistent with its right to recover from liable third parties.
- Each situation will be assessed based on the specific circumstances.
- Where a bailment is established and a vehicle is damaged, stolen, or lost while in the bailee's possession:
  - The onus shifts to the bailee to demonstrate they were not negligent.
  - The bailee must prove, on a balance of probabilities, that:
    - Reasonable care was taken, or
    - Any failure to take reasonable care did not contribute to the loss.
- If the bailee cannot meet this burden, negligence may be inferred, supporting recovery action by MPI.

Questions

ATA Updates

1. Paint and body materials compensation
2. Request for amendment to LVAA language

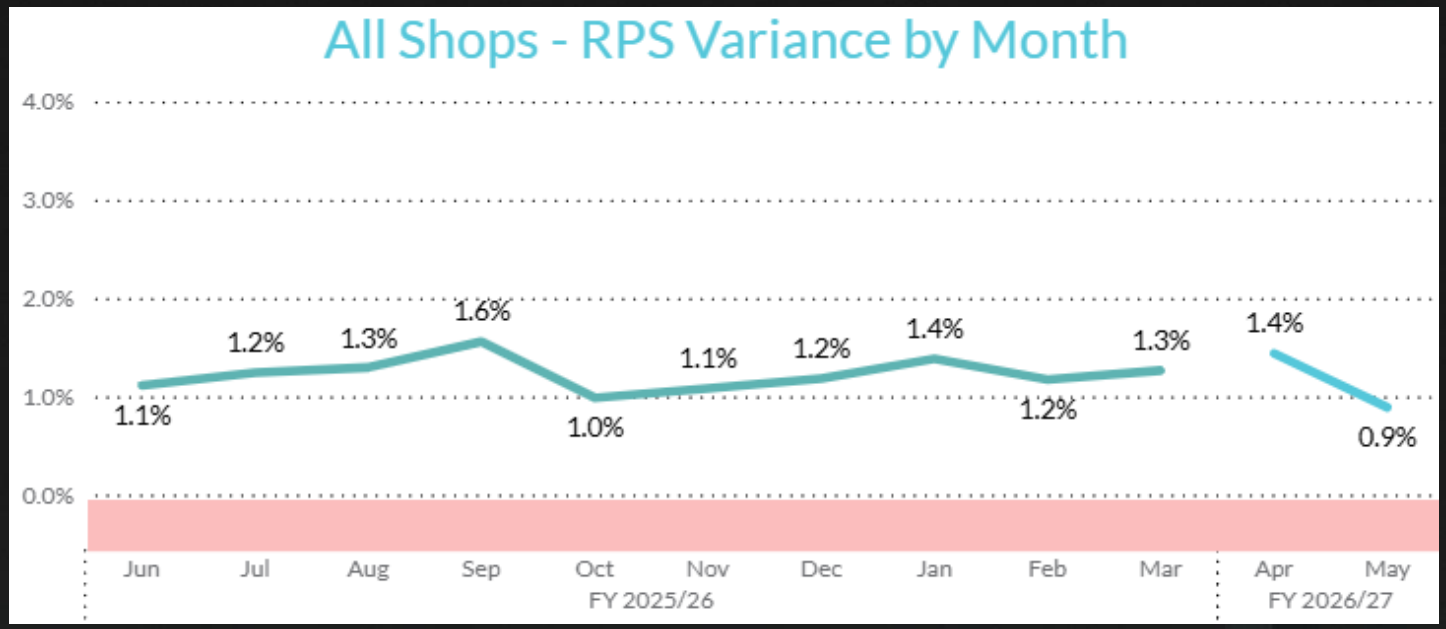
MMDA Updates

1. Seatbelt Repair

Parts Autonomy Review

1. Performance from last quarter
2. Surveys
3. RPS Buckets vs Shop Performance vs MPI Audit

All Shops - RPS Variance by Month



All Shops - Quarterly Success Rate

	FY 2025/26			FY 2026/27
	Q2	Q3	Q4	Q1
Level 2	42	33	37	34
Level 1	140	144	157	146
Perf. Review	33	38	23	39
Success Rate:	84.7%	82.3%	89.4%	82.2%

Q1 only contains 2 months at this time. Updated monthly for progress monitoring.

Dealer - Quarterly Success Rate

	FY 2025/26			FY 2026/27
	Q2	Q3	Q4	Q1
Level 2	3	5	6	7
Level 1	36	39	37	39
Perf. Review	9	4	5	2
Success Rate:	81.3%	91.7%	89.6%	95.8%

Q1 only contains 2 months at this time. Updated monthly for progress monitoring.

Independent - Quarterly Success Rate

	FY 2025/26			FY 2026/27
	Q2	Q3	Q4	Q1
Level 2	37	28	30	25
Level 1	104	103	117	105
Perf. Review	23	32	17	34
Success Rate:	86.0%	80.4%	89.6%	79.3%

Q1 only contains 2 months at this time. Updated monthly for progress monitoring.

RPS buckets vs Shop Performance

		May 2026 KPI Data			
RPS Group	Expected RPS	Claim Count	RPS %	Claim Count (OEM Line Discounts Removed)	RPS % OEM Line Discount Removed
Under 20k Mileage	0.0%	11,350	2.9%	10,811	0.6%
Group 1	2.3%	692	4.6%	668	2.8%
Group 2	4.5%	822	6.3%	750	4.4%
Group 3	7.8%	4,294	10.0%	3,975	8.4%
Group 4	9.3%	4,336	11.7%	3,964	9.9%
Group 5	12.5%	5,613	15.6%	5,129	14.9%
Group 6	15.6%	2,001	16.3%	1,828	12.9%
Group 7	18.0%	5,272	17.9%	4,857	16.9%
Group 8	21.3%	14,894	21.1%	13,731	20.5%
Group 9	25.0%	21,256	25.1%	19,861	24.9%
Group 10	28.1%	21,170	30.3%	20,069	30.8%
Group 11	29.3%	2,375	27.7%	2,213	27.3%
Group 12	32.0%	5,370	34.3%	5,069	35.2%
Only OEM LD				*6,520*	21.0%
Total		**99,445**	**20.3%**	**99,445**	**19.3%**

RPS buckets vs MPI Audit

		Audit Findings (Audit Completed between Apr 2025 and Dec 31,2025)				
RPS Group	Expected RPS	Claim Count	Audited Claim Count	Approx % of Claims Reviewed	Average Savings	RPS% Inc Audit Findings
Under 20k Mileage	0.0%	11,350	-			2.9%
Group 1	2.3%	692	5	0.7%	$2,092.73	4.8%
Group 2	4.5%	822	11	1.3%	$291.87	6.4%
Group 3	7.8%	4,294	156	3.6%	$260.44	10.2%
Group 4	9.3%	4,336	125	2.9%	$285.40	11.9%
Group 5	12.5%	5,613	158	2.8%	$242.46	15.8%
Group 6	15.6%	2,001	53	2.6%	$270.89	16.5%
Group 7	18.0%	5,272	250	4.7%	$364.42	18.3%
Group 8	21.3%	14,894	669	4.5%	$320.18	21.5%
Group 9	25.0%	21,256	1,031	4.9%	$316.95	25.6%
Group 10	28.1%	21,170	907	4.3%	$338.58	30.8%
Group 11	29.3%	2,375	128	5.4%	$379.70	28.2%
Group 12	32.0%	5,370	238	4.4%	$541.67	35.1%
Total		**99,445**	**3,731**			

RPS Summary

RPS Group	Expected RPS	RPS % OEM Line Discount Removed	RPS% Inc Audit Findings
Under 20k Mileage	0.0%	0.6%	2.9%
Group 1	2.3%	2.8%	4.8%
Group 2	4.5%	4.4%	6.4%
Group 3	7.8%	8.4%	10.2%
Group 4	9.3%	9.9%	11.9%
Group 5	12.5%	14.9%	15.8%
Group 6	15.6%	12.9%	16.5%
Group 7	18.0%	16.9%	18.3%
Group 8	21.3%	20.5%	21.5%
Group 9	25.0%	24.9%	25.6%
Group 10	28.1%	30.8%	30.8%
Group 11	29.3%	27.3%	28.2%
Group 12	32.0%	35.2%	35.1%

Parts Autonomy Survey

Below are the previous MPI-hosted surveys that contained questions related to parts in general or the parts autonomy program specifically:

- 2024 Manitoba Light Vehicle Repair Industry Survey Results
- 2023 Parts Autonomy Program Survey Results
- 2022 Physical Damage Programs (PDP) Industry Feedback
- 2020 Manitoba Light Vehicle Repair Industry Survey Results

Pending feedback from the associations, MPI will prepare an invitation-based survey for accredited shops.