



## Program & Accreditation Consultation Committee Minutes

March 21, 2024

1:00 pm to 3:00 pm

### Committee Attendance:

- Marnie Kacher, MPI
- Steve Lupky, MPI
- Denis Cloutier, ATA
- John Vernaus, ATA
- Lynsey Wilson, MMDA
- Norm Bruneau, ATA

### Regrets:

- Geoff Sine, MMDA
- Dean Cooley, MMDA

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Marnie Kacher chaired the meeting.

### MPI Update

MPI has a new CEO and a new Board, so some items are currently taking a little bit longer to action.

The industry consultation committees were formed three years ago, and the appointed members terms are coming to an end this June. For the Glass and Technical & Parts Committee, MPI will be asking for nominations. Current members can be re-nominated. The Program & Accreditation Committee is formed of association appointed representatives of the ATA and MMDA. The executive directors are ex-officio on all committees.

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

### Association Updates

#### MMDA Update provided by Lynsey Wilson:

The NRCan funding is coming to a close after 3 years. Funding was dedicated towards approximately 300 charging stations that added to Manitoba's infrastructure.

The career campaign is continuing and the MMDA has started to work with high schools in Manitoba with an automotive program in connecting them with members for 'tech talks' as well as work experience placements. As well foreign recruitment efforts are continuing. 23 technicians from the Philippines are in the process of coming to

Manitoba. The MMDA has also partnered with another recruitment company focusing on European countries.

ZEV Council continues, and a Manitoba EV friendly website should be established later this year.

### **ATA Update provided by Denis Cloutier**

Work is beginning on planning for the fall trade show along the same lines as last year. There is growing interest from schools in sending students to the trade show.

Denis has been attending numerous high school career days and working to increase the awareness of students of the benefits of the automotive trade.

The ATA will be meeting with Minister Jamie Moses, Minister of Economic Development, Investment, Trade and Natural Resources.

### **Action Items from previous meeting's agenda**

#### **Labour Interruption Review**

- MPI appreciated the feedback on the labour interruption
- The impacts to the trade and some of the temporary changes made are being reviewed and some of the items will be added to our list of discussion points with the industry for the 2025 LVAA.

#### **Recycling Committee**

- From MPI's perspective, this is an area we would like some input on from our new leadership team and board.
- MPI is interested in exploring this further but needs to ensure actions align with our corporate direction and mandate.
- MPI also heard from a company that wants to establish a recycling program, the same one that presented to MPI a couple of years ago. MPI has reached out but has not had a response from them.
- This item will be added to the next agenda.

#### **Sharing Data**

- MPI is willing to share relevant data, but it does require resourcing and needs to understand the value/use of the information being shared. A concern is how data may be interpreted without some of the background information or understanding the information driving data.
- MPI will be updating and sharing repair data on the Partners site and intends to maintain this regularly.
- Some financial information is available in MPI's annual report.
- MPI is not prepared to share total loss data at this point.

- ADAS reporting will need some further discussion to define what information would be beneficial to the repair shops. This will be added to one of the upcoming committee meetings.

### **Parts Autonomy (standing agenda item):**

An overview of the current PA results was shared (slide deck attached).

Robert Ferreira presented on potential changes to dealing with shops who are not meeting their RPS targets and have failed their Corrective Action Plan (CAP). The information was presented to the committee for feedback and input.

#### **Action Item**

The ATA and MMDA will review this information further and engage with MPI.

### **Compensation Schedule Review**

MPI has completed a review of the information supplied by the ATA and MMDA. Any recommendations need to be presented to the Executive Committee and to the Board of Directors. With the changes at MPI this has not been done but should be on the agendas by the end of April. The results will then be shared with the Associations.

Denis asked on behalf of the ATA if any increased compensation can be made retroactive. MPI will advise of any changes once approved by our Board.

### **SCRS Blend Study**

A brief discussion on the study was held. MPI has consulted with the other crown insurers and Mitchell to identify the pulse of other insurers. This is one study, and at this point Mitchell is not changing their times. MPI will continue to follow Mitchell times and will monitor.

### **Parts Margin Erosion**

The ATA outlined concerns regarding reducing margins in parts for the shops especially on some luxury brands. MPI is interested in finding out more about this and willing to discuss further. The ATA is collecting further information on this and will share with MPI.

#### **Action Item**

The ATA will collect and provide information to MPI.

### High School Pilot:

The ATA inquired about the pilot and next steps to formalize this. They see value in this program, as does the MMDA.

The pilot is continuing and MPI will need to identify how the overall program worked (for example was the vehicle properly repaired, how is the school supported, what were the overall costs, etcetera.) MPI is very interested in keeping the program going but there are some logistical areas that will need to be worked out to establish a program in more schools. It is unlikely a program can be rolled out in time for the fall with an intake process and all the components in place to be successful. MPI may consider another school for another pilot to keep the interest going while the details of an ongoing program are worked out with the MMDA and ATA.

### Requirements for PDR Shops:

The ATA discussed the committee work regarding the PDR shops, and identified the work being done by SGI that is similar. This raises an issue of accreditation or basic requirements for PDR shops around tooling, equipment, and training, if they are directly taking in customer work. The other issue is how these shops will deal with work that is not PDR and how they sublet.

MPI is not allowing PDR shops to be Direct Repair. All claims are still reported to MPI first, and the customer has the option of where they attend, which they have today of going to a body shop or a PDR facility. They would have the same requirements in terms of liability insurance, and other 'brick and mortar' repair facilities. MPI will be providing PDR shops with Mitchell which will streamline the process for customers and shops. The relationship between those authorized PDR facilities and any body shop that may need to complete a portion of the work is unchanged.

MPI will continue to work with the PDR working group, and the Parts & Technical Committee and are open to further refining processes and requirements.

### ADAS:

The ATA felt this topic was best handled at the Parts & Technical Committee. There was consensus that that committee is best equipped for those discussions and if there are any program or accreditation changes it can come back to this committee.

### Town Halls:

MPI confirmed they will be hosting a series of town hall meetings with the repair industry, and the ATA and MMDA are invited to participate and will be included on the agenda to speak. They will be held in Winnipeg, Brandon, the north, and virtual. In addition to hearing feedback, these will be the start of industry consultation on a new

compensation schedule and any changes needed in the LVAA. A high-level overview of the potential agenda was discussed.

**Round Table:**

Denis noted there was a question about additional pictures for glass claims and an administrative fee. MPI will review and provide an update.

Lynsey raised the issue of adjuster times on marginal losses and delays. Robert and Lynsey had discussed this previously. Several points on the issue were discussed including drivable vs non-drivable and putting the vehicle together to make it drivable while they wait for a response. MPI is still working on processes and finding opportunities to improve and is considering sending out communication to the trade on items.

Steve mentioned that MPI is seeing an increase in the number of vehicles being held in the compound due to pending a shop accepting the tow in, some for an extended period. There had been a temporary process in place last year where MPI would hold a vehicle for up to 3 weeks if a shop was backed up but willing to take the work, but this ended. MPI recognizes this is still an issue and will again offer a temporary hold of a vehicle up to 21 days if a shop confirms they will take the claim. An NTT will be sent out shortly.

**Meeting adjourned at 3:05 pm.**

# Parts Autonomy

March 21, 2024



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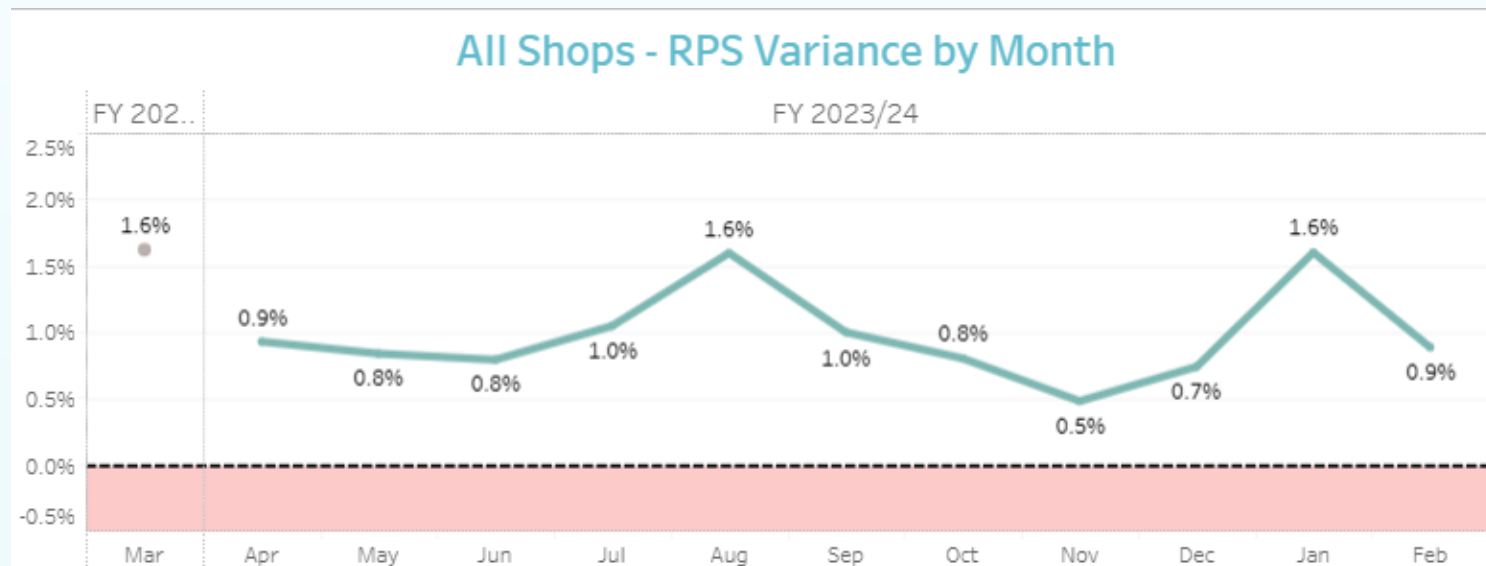
# Parts Autonomy

## RPS Quarterly Performance

	FY 2023/24			
	Q1	Q2	Q3	Q4
Level 2	30	53	38	46
Level 1	121	114	110	118
Perf. Review	77	62	79	59
Lost PA	1	1	1	1
<b>Success Rate:</b>	<b>65.9%</b>	<b>72.6%</b>	<b>64.9%</b>	<b>73.2%</b>

*Note:* Shops with no claims are not included in counts.

*Note:* Q4 only contains 2 months at this time. Updated monthly for progress monitoring.



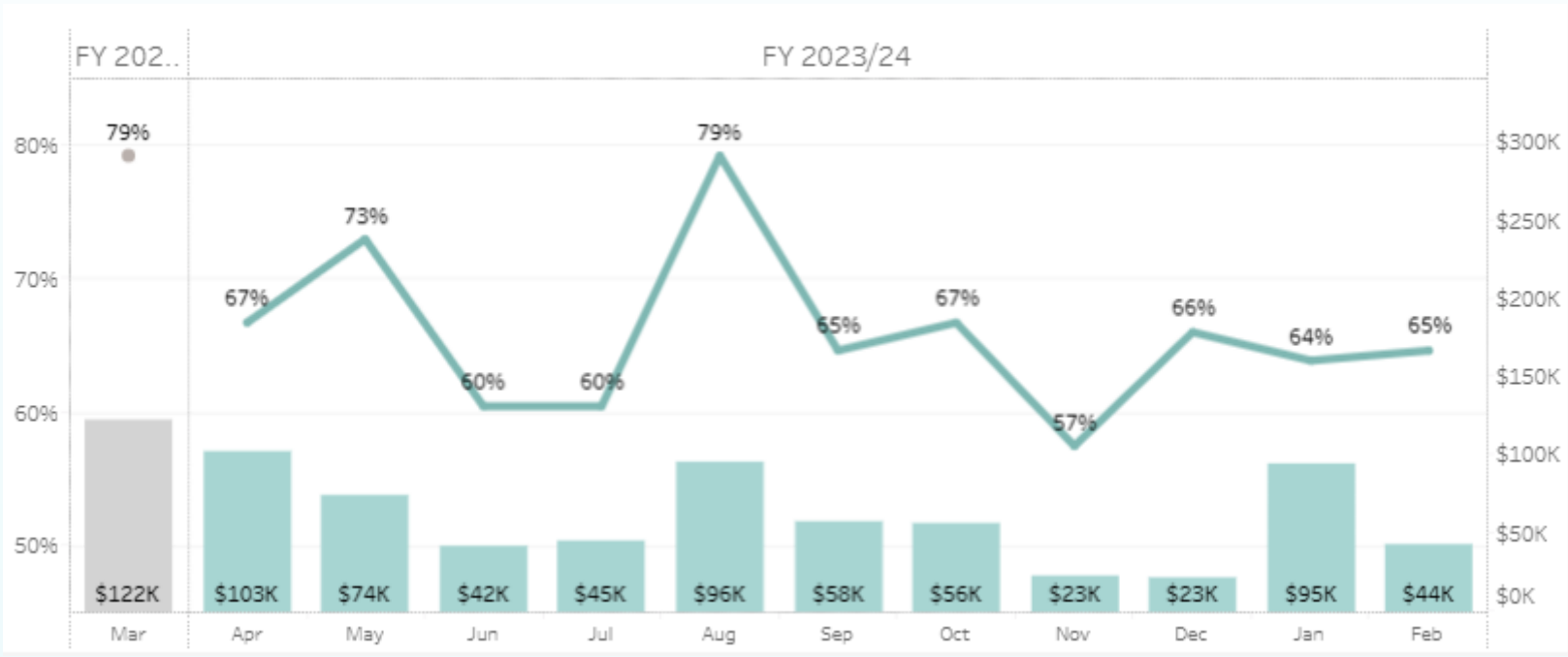
# Shop Type Analysis

**Dealer\*** – shop success

\*Includes 1 shop in Lost PA

	FY 2023/24			
	Q1	Q2	Q3	Q4
<b>Success Rate:</b>	66.7%	70.8%	68.8%	77.1%

*Note: Q4 only contains 2 months at this time. Updated monthly for progress monitoring.*



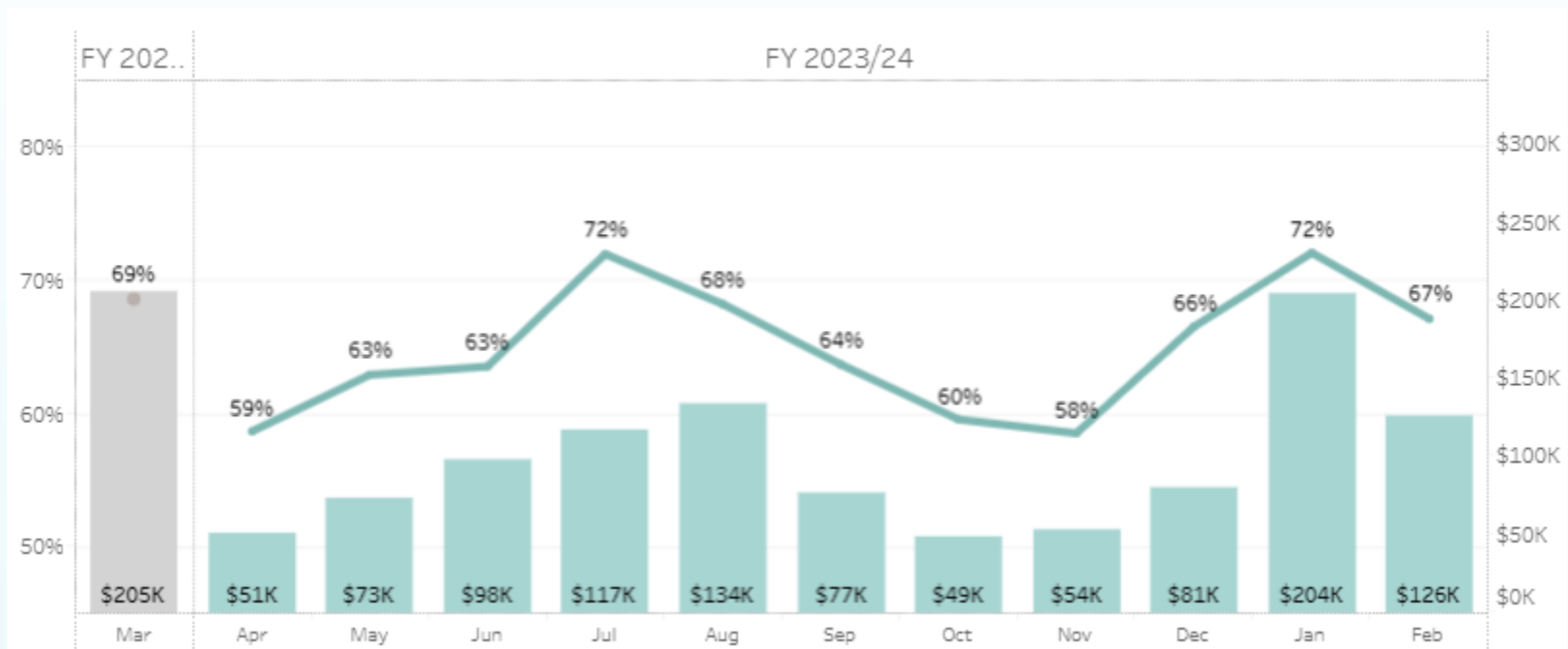


# Shop Type Analysis

## Independent – shop success

	FY 2023/24			
	Q1	Q2	Q3	Q4
<b>Success Rate:</b>	65.7%	73.1%	63.9%	72.2%

*Note: Q4 only contains 2 months at this time. Updated monthly for progress monitoring.*



# High level Performance Review

Parts Autonomy has been accepted by the vast majority of the repair industry. Success though as seen below hasn't been manageable for all shops. Validation of shops who do not meet the set targets will increase awareness for shops but also allow MPI to validate targets.

All Shops - Quarterly Success Rate				
	FY 2023/24			
	Q1	Q2	Q3	Q4
Level 2	30	53	38	46
Level 1	121	114	110	118
Perf. Review	77	62	79	59
Lost PA	1	1	1	1
Success Rate:	65.9%	72.6%	64.9%	73.2%

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# Performance Review Results

- This is a summary of the last 12 months of RPS performance which flagged SRA action to address a shop that fell under the expected target.
- Shops that fall under performance review can fall into 2-3 months of warning prior to CAPs.
- The results have been positive following a CAP but do show the amount of effort that supports increasing accountability sooner to support the program so that industry performance overall is balanced opposed to a portion of the industry making up for the rest.
- **As of January, 16 CAPs implemented, 14 CAP passes, 2 CAPs were in progress.**
- **February, new CAPs = 9**
- **March, new CAPs = 2**

