

Program & Accreditation Consultation Committee MinutesMay 13, 2025

Committee Attendance

Dean Peterson, MMDA Shaun Desmond, MMDA Lynsey Beer, MMDA Denis Cloutier, ATA Ferd Klassen, ATA John Bowering, MPI Robert Ferreira, MPI

Regrets:

Dean Cooley, MMDA Geoff Sine, MMDA Norm Bruneau, ATA Waldemar Koos, MPI

John Bowering and Robert Ferreira chaired the meeting.

Reviewed Previous Minutes (Feb 28, 2024):

Action Items:

- 1. MPI to confirm if the LVAA specifies that MPI takes full responsibility when its direction does not align with Original Equipment Manufacturer (OEM) positions, procedures, or guidelines.
 - MPI has specific positions and guidelines regarding OEM repair procedures, OEM position statements, and third-party guidelines for industry best practices, such as those published by organizations like I-CAR.
 - MPI emphasizes the importance of adhering to OEM repair procedures and standards. Repair shops should source OEM procedures directly from the OEM to ensure repairs meet the manufacturing methods, component quality, and performance levels set by the vehicle manufacturer.
 - MPI acknowledges the value of third-party guidelines, such as those from I-CAR, which provide industry-accepted recommended practices. These guidelines are considered where either OEM or industry standards are acceptable. MPI also references resources like Mitchell TechAdvisor and AllData for repair standards and procedures on a case-by-case basis.

- Repair shops are expected to follow MPI Policies & Procedures and OEM repair standards. MPI performs post-payment audits to ensure repairs meet these standards. Shops must upload specific documents to a claim, such as OEM repair data, photos of undressed welds, pre- and post-repair diagnostic scan data, and wheel alignment data. In cases where OEM repair procedures leave room for interpretation, repair shops are encouraged to seek clarification from the applicable OEM to minimize the intrusive nature of the repair.
- MPI's Accredited Repair department is also available for support. MPI's
 direction may differ from third-party guidelines as well as OEM position
 statements, especially in cases of cosmetic repairs that do not affect vehicle
 crashworthiness. Proper repair remains paramount as demonstrated by
 MPI's use of certified alternate parts. MPI balances the benefits of costeffective repairs with proper repair requirements.
- Through the Light Vehicle Accreditation Agreement (LVAA), participating repair shops agree to support MPI in minimizing intrusive repairs and avoid over-repairing. Additionally, many parts and components are repairable, and shops are responsible to attempt part repairs before replacing them.
- 2. MPI to confirm with its legal counsel that shops will not be held responsible when following MPI's direction.
 - MPI does not have control over the quality of work performed by repair shops, nor other factors considered when determining responsibility for a subsequent loss following a prior repair. MPI cannot prevent injured parties from making a legal claim against repair shops. MPI does not indemnify repair shops in the LVAA and cannot preemptively confirm they are free of responsibility if a subsequent loss occurs.
- 3. **MPI to investigate the feasibility of** encouraging vendors like Mitchell, I-CAR (AIA), and others to financially support the associations.
 - As a crown corporation, MPI is not able to direct its suppliers and vendors to support the ATA or MMDA. MPI recognizes the importance of its partnerships with repair shops, which is why access to the products and services of applicable vendors (such as Mitchell and CarPart) selected by MPI are provided to accredited repair shops at no cost. MPI also supports the industry both financially through tooling allowances, apprenticeship grants, and a 50% allowance towards the registration costs after the successful completion of eligible I-CAR welding courses. Other support includes providing access to its facilities for meetings and training, and donating salvage vehicles for training purposes.

MPI Updates

Theft Update

- o MPI shared the number of vehicles waiting for customers to find a shop and raised concerns about cleaning procedures and customer awareness.
- o MPI shared a high-level overview of vehicle inspection and cleaning options.
- Discussion focused on what information MPI should share with shops and customers before releasing vehicles for repair.
- Associations suggested MPI staff attend shop walkarounds on a theft claims to observe processes.

• Parts-in-Demand Reporting

- MPI explained the initiative to share parts on claims in progress to improve supply chain challenges.
- Parts suppliers would see where demand is to improve supply chain challenges.
- MMDA felt this would be helpful to assist in not stocking dealers but warehouses if they knew what demand was.
- Intent is to reduce wait times for parts to get more vehicles through the repair stream and reduce customer delays and rental costs.

R-Plate Usage

 MPI will clarify when to use R-Plate and post information on the partners' site.

Fixed Compensation Items

- Labour and Material Allowances: MPI shared current labour allowance amounts. Trade requested annual reviews of material allowances.
- o Trade will work on the list once MPI shares it and will return for MPI's review.

Glass Repair first

- MPI highlighted rising glass claim costs and Advanced Driver Assistance System (ADAS) complexity, coverage and future impact.
- Glass is the **only** automotive part subject to tariffs, which affect NAGS pricing.
- Glass replacement continues to rise as repairs decline. MPI had considered this
 change for a few years now but held off. The decline in repairs was most noticeable
 when Glass labour rates remained fixed for a few years while the NAGS discount
 increased.
- MPI will transition glass claims back under physical damage (PD) claims, where it will can authorize windshield replacement. Chips that pass a certification of inspection should be repaired, not replaced. Like PD claims, MPI will require supporting images.
- This aligns with standard industry practice, where glass repair takes precedence.

Benefits:

- Reduce landfill waste and glass recycling concerns by repair shops.
- Reduce financial impacts to customers in the form of deductibles.
- o Mitigate risk of impacting otherwise functional ADAS systems.
- Reduce delays in obtaining ADAS recalibrations for customers.
- Help MPI validate selected perils before confirming repairs.
- Increase customer awareness of repair options and save them money and time.
- o Preserve factory vehicle condition by avoiding unnecessary replacement.

Next steps

- Share glass-specific reports for shops showing their repair versus replace ratios in Fall 2025.
- Launch customer awareness campaigns on repair versus replace.
- Update the MPI site Glass page.
- Update to estimating standards...
- Soft launch awareness approach before full enforcement of the repair-first policy.
- Collect shop feedback for future enhancements to this process, such as minimizing delays.

Association Updates

MMDA

- Shared the golf tournament date (June 26th) and upcoming Drive! event this Fall.
 - o Discussed the need for retaining new students and recruitment initiatives.
 - Discussed the electric vehicle (EV) charging stations installations (over 200 installed in Manitoba) and EV safe handling training programs.
 - Reviewed industry support for high school programs offering Level 1 certification.

ATA

- Working with Red River College (RRC) Polytech to drive more students into the auto body program.
- Discussed challenges in skilled trades and the need for shop owner investment in new technicians.

Parts Autonomy

- Discussed concerns about some repair shops manipulating estimates to increase Realized Parts Savings (RPS).
- MPI is correcting claims and contacting shops.
- Given these concerns and the amount of effort, MMDA suggested retuning to searching for lowest cost parts as it appears to be a smoother process in other provinces.

Tariff Impacts

- MPI noted increased costs and reduced in repairs for glass claims.
- MPI will revert to the 2010 process, prioritizing repairs over replacements, with images required for all claims, especially when shops request authorization to replace.
- Trade requested more details on the new process and changes beyond slides presented.
- MPI is aligning with PD regarding repair versus replace as well as requiring images on all claims.

MNP Audit – MPI Claims Operations

- Reviewed MNP feedback from a recent Claims Operations Audit.
- Discussed lack of validation of billing through invoices.
- MPI will increase accountability with targeted audits.
- MPI will conduct targeted all-year audits requesting invoices for all parts and sublets with vehicle inspections to address audit risks.

Survey Review: MPI, ATA

- Deferred to a dedicated meeting in early June to review survey results and determine actions for improvement.
- Action items
 - o Trade to bring five focus topics for working group review.

Next Meeting

o TBD

Meeting adjourned: 12:00 pm

Programs & Accreditation Consultation Committee



Agenda

- 1. Actions from last Meeting
- 2. MPI Updates
- 3. MMDA Updates
- 4. ATA Updates
- 5. Parts Autonomy
- 6. Tariff Impacts
- 7. MNP Audit MPI Claims Operations
- 8. Review recent survey(s): MPI, ATA



Actions from last Meeting

1.MPI to confirm if the LVAA specifically calls out that MPI takes full responsibility when its direction does not align with OEM positions, procedures, guidelines, etc.

2.MPI to confirm with its legal counsel that shops will not be held responsible when following MPI's direction.

3. The MMDA advocated for Mitchell, I-CAR (AIA) and other vendors to be encouraged by MPI to financially support the associations.



MPI Updates

- 1. Theft Update
- 2. Parts in demand reporting
- 3. R plate usage
- 4. Fixed Compensation Items



Fixed Compensation Items

A labour and material allowance table below can be reviewed as an option to convert labour operations to a labour hour that will increase as rates increase. While material allowances will require market research.

Item	Procedure	Currer	nt Allowance	Туре	Applicable Rate Type	Notes
1	ADAS Calibration*	\$	165.00	Labour	Body-	LVAA increase
2	Glass Tint*	\$	80.25	Labour/Material	N/A	Market pricing completed
3	Mobilization	\$	100.00	Labour	Body	
4	AC Service	\$	26.00	Labour	Mechanical	
5	AC Condenser Repair	\$	100.00	Labour	Mechanical	
6	TPMS Install	\$	7.50	Labour	Mechanical	
7	TPMS Test	\$	5.00	Labour	Mechanical	
8	Tire Mount and Balance	\$	22.00	Labour	Mechanical	
9	Windshield Repair	\$	80.00	Labour	Windshield	
10	Windshield Repair Extra	\$	20.00	Labour	Windshield	
11	Key Coding	\$	50.00	Labour	Mechanical	

Requires market research						
Item	Procedure	Curre	ent Allowance	Туре	Applicable Rate Type	
4	Hazardous Waste	\$	4.97	Materials	N/A	
7	Small Foam	\$	54.00	Materials	N/A	
8	Large Foam	\$	101.00	Materials	N/A	
9	Small Adhesive	\$	67.00	Materials	N/A	
10	Large Adhesive	\$	127.00	Materials	N/A	
12	Tire Nitrogen	\$	5.00	Materials	N/A	
16	Glass Urethane	\$	33.60	Materials	N/A	
17	Coolant	\$	20.00	Materials	N/A	



ATA and MMDA Update



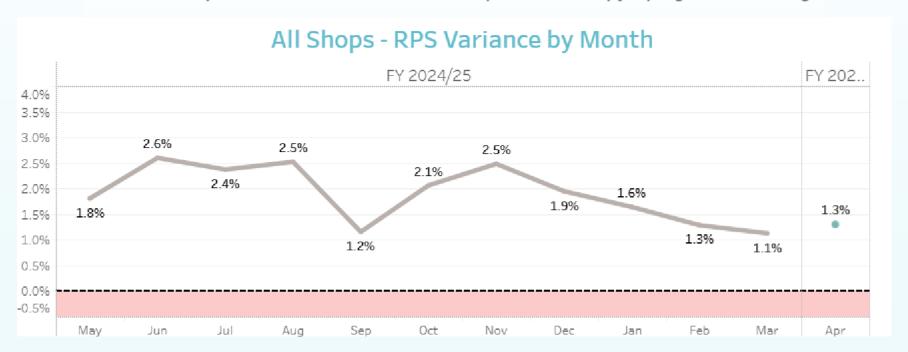
Parts Autonomy



All Shops - Quarterly Success Rate

		FY 2025/26		
	Q2	Q3	Q4	Q1
Level 2	72	76	40	50
Level 1	113	125	150	108
Perf. Review	41	23	33	60
Success Rate:	81.9%	89.7%	85.2%	72.5%

Note: Q1 only contains 1 months at this time. Updated monthly for progress monitoring.





Dealer - Quarterly Success Rate

		FY 2025/26		
	Q2	Q3	Q4	Q1
Success Rate:	85.4%	79.2%	89.6%	64.6%

Note: Q1 only contains 1 months at this time. Updated monthly for progress monitoring.

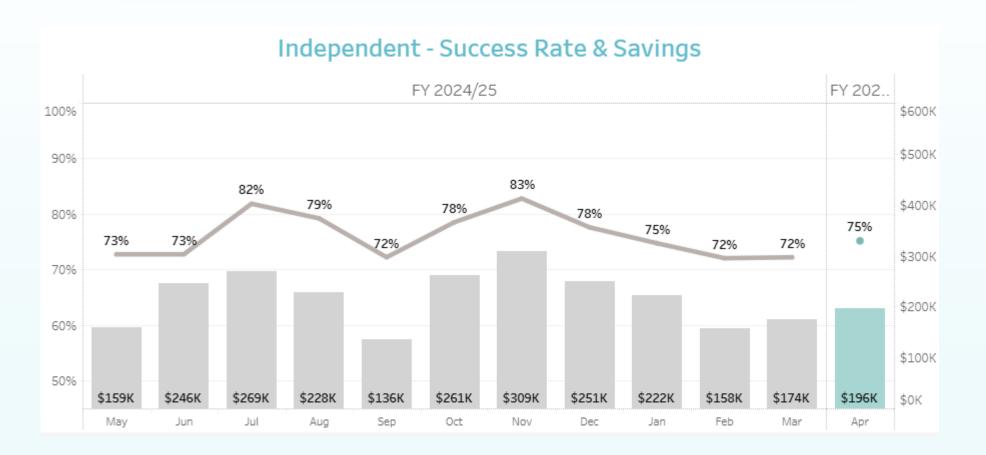




Independent - Quarterly Success Rate

		FY 2025/26		
	Q2	Q3	Q4	Q1
Success Rate:	80.8%	92.6%	84.0%	75.1%

Note: Q1 only contains 1 months at this time. Updated monthly for progress monitoring.





RPS Exaggeration

- Data entry continues to be a challenge for shops to understand the importance of accurate entries. Some of this starts off as innocent errors but some shops have learned to use these data entry errors intentionally to gain RPS credit.
- As an example, in just 12 months \$300,000 in RPS exaggeration with just 2 parts specifically. End of day these are savings that MPI and Manitobans are not seeing that is expected.
- We have the ability to identify when this is happening, but it is manual and we would rather put efforts elsewhere that the industry could benefit from.
- Shops are being contacted when we encounter these examples. Claims are being updated to adjust RPS.
- Risks:
 - Receiving incentives or pulling out of CAP and Audits through gaming.
 - As we make decisions based on data. This can also lead to increasing targets in the future or maintaining targets that rightfully should've been decreased.
 - Justifying a review of the benefits vs the risk of managing the PA Program and RPS.



RPS Exaggeration

Examples of how data entry can effect RPS outcome.

Shop one:

	RPS End of March	RPS End of April post audit correction	RPS gaming
February	\$462.09	(\$2,061.72)	\$2,525
March	\$1,331.17	(\$7,699.05)	\$9,030
April		\$576.75	TBD

Shop two:

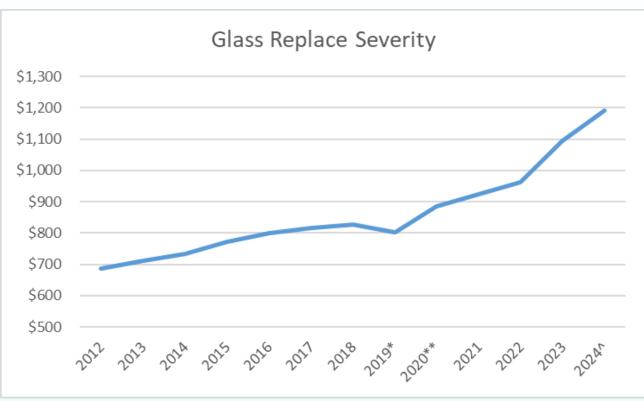
		RPS End of April post	
	RPS End of March	audit correction	RPS gaming
			Shop had over saved
	\$-4989	\$-4989	month prior and was
February			adjusting for this.
March	\$6564	\$-2669	\$9,233
April		\$6774	TBD

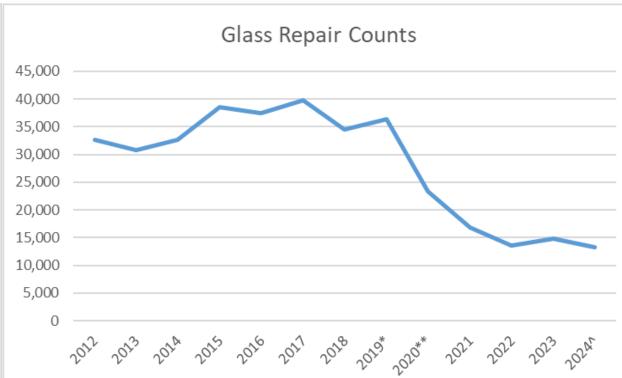


Tariff Impacts on Glass



Glass Trends







Glass Repair First

- Glass claim costs and ADAS penetration continue to rise. The only automotive parts impacted by tarriff is glass. This will have an impact on NAGS pricing due to how it's determined.
- Glass replacement continues to rise as repairs fall.
- MPI will be transitioning back to aligning more with Physical Damage claims where MPI will be promoting repair where possible. Replace will need pre-approval by MPI.
- We expect to see that a chip that would pass a certification of inspection should be repaired opposed to replace. We really saw change when Glass saw a labour rate freeze for a few years and NAGS discount increased.
- MPI will be developing a new policy. We will be requiring images to support the loss and damages for all glass claims. No different than a PD claim.
- We are working to bring on some dedicated resources to make sure this process doesn't slow down the claims cycle time.



Glass Repair First

Benefits:

- •Reduce environmental waste in landfills and recycling glass concerns raised by repair shops.
- •Reduce customer financial impacts of avoiding deductible, but also ADAS components failing over time whether it be with age or handling during removal where customers with the wear scenario will have to cover costs to replace as it's not an insurable loss.
- •Reduce delays in replacement and obtaining ADAS recalibrations for customers.

Next steps

Slow transition back to 2010 process. Glass Committee awareness, trade communication, soft coaching, ending in full enforcement. We are working on a Mitchell Cloud Glass enhancement that only allows a shop to process a Glass repair claim where replacement requests will notify the Glass unit to review images of damage and authorize replacement.

- Customer awareness campaigns on repair vs replace through our website and social media. Summer 2025
- Updates to estimating standards and Image requirements. Summer 2025
- Soft phase Conversations with shops not complying with repair first policy. Summer 2025.
- Shop glass claim reports showing repair vs replace ratios for awareness. Fall 2025.



MNP Audit – MPI Claims Operations



Summary of Observations

Physical Damage

Observation	Rating
OBS #2. Lack of Purchase Invoice for the Parts Installed onto the Vehicle	High
OBS #5. Missing Certification of Repair Provided by the Shop	Medium
OBS #6. Missing Signed Authorization Provided by the Claimant	Medium
OBS #7. Missing approval from MPI to Start Repairs	Medium



Detailed Observations and Recommendations

OBS #2. Lack of Purchase Invoice for the Parts Installed onto the Vehicle

High

Observation

During the walkthrough of the estimation process, we were informed that MPI does not require the repair shop to submit the purchase invoices for the parts installed on the vehicle for repair.

Impacts

This increases the risk that a shop could submit an estimate to MPI for the higher-priced part while actually purchasing and installing a lower-priced part. Thus, misconduct or overpayment might occur.

Recommendation

For repair claims, MPI should obtain and retain the invoices for parts critical to the repair (e.g., parts that make up larger components of the claim value).



Manitoba Light Vehicle Repair Industry Survey Results



• Manitoba Light Vehicle Repair Industry Survey Results



In December 2024, MPI invited contacts from light vehicle repair shops to participate in a voluntary online survey. MPI's intent for the survey was to better understand the issues and challenges facing Manitoba repair shops, and how MPI provides service.

MPI emailed a total of 433 invitations to all accredited collision and glass registered account holders.

- 123 completed surveys were received, for a completion rate of 28%.
- Among the completes, 79 were from the 'non-Winnipeg' regions.
- 44 completed surveys were in the Winnipeg region.
- 95 completed surveys were from autobody & frame shops.
- 28 completed surveys were from glass only shops.
- 89 completed surveys were from shops that self-identified as being independently owned
- 10 completed surveys were from Multiple Shop Operator (MSO) / franchise shops.
- 14 completed surveys were from dealer owned shops.



The aspects with the lowest satisfaction levels are:

- Shop Measures Program (16%, down from 29% in 2020).
- Performance Recognition Program (17%, down from 28% in 2020).
- Ease of doing business with MPI (24%, a notable decrease from 40% in 2020).
- Amount of communications received from MPI (25%, a notable decrease from 44% in 2020).
- Feedback and guidance received from MPI (25%, down from 36% in 2020).
- Overall level of service received from MPI (29%, up from 28% in 2020).

Compared to the aspects listed above, in 2024 there was slightly higher levels of satisfaction with the:

- Effectiveness of software and online services (43%, down from 52% in 2020).
- Direct Repair Program (44%, a notable decrease from 63% in 2020).

Among those who are *not satisfied* with the overall level of service received from MPI, the most common suggestion for improvement is for *Estimators and Adjusters to provide better response times*, be more accessible, and have more effective communication with their shop (including being more professional and less biased). Respondents also cited a need for more competent and caring estimators and other MPI staff / make them more accountable. Some also mentioned for MPI to reduce red tape / MPI is too bureaucratic / MPI is too inefficient, as well for MPI to be fairer / more cooperative relationship with MPI / treat shops with dignity and respect.



Repair Procedure Software

Respondents were asked to indicate what Repair Procedure Software their business provides to its staff above and beyond Mitchell Tech-Advisor. Most shops (55%) indicate All data, followed by OEM site subscription (39%). A further 14% indicated another software not listed, when asked the most common other software was Repair Logic (33% among other software, 5% among all respondents) and Sun Collision (20% among other software, 3% among all respondents).

Business Sustainability

Respondents were presented a list of aspects that may be crucial for their business in the upcoming years and were asked to rank the aspects from most to least crucial using a numeric "1" for their top 'number one' aspect, "2" for the second most crucial aspect, and so on. The results are the following mean ranking provided, as such the lower the mean rank the more crucial (i.e., the closer it is to "#1").

- Finding qualified employees in any role (2.0).
- Retaining employees (3.0).
- Vehicle complexity (3.1).
- Repair information availability (3.3).
- Training (e.g., availability and quality of instruction) (3.4).



1. Current & New Vendors

Establish a list of current vendors used

Labels

Connector

Accessories

No policy changes on items these yet (purchasing, markup etc..), just establish the list of vendors

These need to be commonly used vendors (not like the obscure connector guy for example)

Agree that no NEW vendors (not on the list) will be introduced without being discussed at the committee level

This means that there will be no denials or audits involving vendors not on this list

Create process to vet any new vendors through committees

Set criteria (amount of staff, customer support, warranty policy, shipping policy ect.)

Once vendors are vetted and approved, an NTT will go out informing the trade that a vendor has been added to the list.

Once this process is established, it becomes the "normal process" to introduce new vendors.

2.Labels & Connectors

This will involve only vendors on the approved list.

Simple policy- shop picks whichever is cheaper- either AM (inc shipping) or OEM

Exception- backordered or delays over 2 weeks

Need to set expectation as to whether shop NEED to use the AM vendors as they are not on MAPP

We'll need to look at the pricing structure here

If List / MSRP/ Retail exists, it is used

If only cost is provided, then cost plus applies.

3.Accessories

Now we will have a list of approved vendors to work with which will alleviate some tension

This will also take care of the shipping concerns as this will have been discussed already when the vendor was approved.

Look at the List/ MSRP/ Retail vs cost plus structure