



Program & Accreditation Consultation Committee Minutes

October 26, 2022

1:00 pm to 3:00 pm

Committee Attendance

- Denis Cloutier, ATA
- John Vernaus, ATA
- Norm Bruneau, ATA
- Craig Dunn, MMDA
- Lynsey Wilson, MMDA
- Dana Frazer, MPI
- Steve Lupky, MPI
- Gord Froese, MPI

Regrets

- Marnie Kacher, MPI
- Geoff Sine, MMDA

Steve Lupky chaired the meeting in Marnie Kacher's absence and introduced Dana Frazer who was attending on behalf of MPI. In addition, Gord Froese, MPI was introduced to the committee who was attending today to provide technical support on some of the agenda items.

MPI Updates

Update provided by Steve Lupky:

- Steve advised that most of MPI's updates will be covered in the meeting agenda items.
- PUB hearings are occurring on MPI's 2023/24 rate application that includes an average 0.1% rate reduction.
- MPI has done a brief review of the number of estimates outstanding, and the average time it is taking for final repair accounts to be submitted. Currently there are over 30,000 claims with estimates in the system. This is higher than pre-covid averages and shows the volume of repair work there is. Also, the average days to a final repair account is in excess of 100, up from 30-day average, that was the prior average. This is likely due to part delays, volume of work outstanding, and supply chain issues.

Action Item:

- MPI will continue to provide an update on this at every P&A meeting as a check point to see how things are going.



Association Updates

- ATA Update provided by Denis Cloutier: Recently held their Trade Show event, which was a success. Good support from their business partners in sponsorship, and the uptake in display booth space. There were quality speakers for the education session on Saturday
- A survey will be sent out, and they may consider a different format for next year.

MMDA Update provided by Lynsey Wilson:

- The MMDA continues to work on international recruitment opportunities for the collision trade.
- The MMDA Drive industry celebration is coming soon. Plans include honoring top performers and a collision repair centre award this year.
- Recently hosted a free webinar regarding opportunities that dealerships may have for certified collision and electric vehicles.
- Work continues with the Natural Resources Canada (NRCan) project regarding EV charging stations. Forty-seven projects completed to date in Manitoba. Working toward creating an Electric Vehicle Alliance with various groups. More to come later.

Action Items from previous meeting's agenda (July 14, 2022):

Repair Procedures Differing from OE Requirements

- MMDA reached out to repair facilities for more specific examples, and a couple were just received. They will be reviewed and the MMDA will forward to MPI so it can be added to a future Technical and Parts Consultation Committee agenda.

Northern Study Updates

- The northern study continues. There were some delays in contact with the shops and receiving information.
- A final report is anticipated in early November.
- A northern town hall meeting was held at the end of September, and it was a good opportunity to discuss the issues faced by the northern shops.

Pre and Post Scanning

- MPI has reviewed the current pre and post scanning standard following the discussion at the last Programs & Accreditation Committee meeting.
- The age will remain at 2012 and newer, and the process will remain the same. There may be situations that warrant an exception, and these will be reviewed on an individual basis.
- Clarification can be sent to the trade on this item.



Red River College Representatives meeting with MPI

- This action item postponed as the RRC Rep was unable to attend due to a conflicting out of town meeting.

Action Items:

- MPI to invite members of RRC to attend the next Programs & Accreditation Consultation Committee to further discuss.
- MPI confirmed a willingness to work with the ATA and MMDA on training and skilled technicians. MPI will participate in a working group if that is formed.

Parts Autonomy

Information presented by Steve Lupky.

- The attached slide deck was presented for information.
- Recently, MPI sent out performance incentive payments to 44 shops, for a combined total of \$131,000. This amount reflects the increase to a 50% share.
- Corrective Action Plans (CAP) information:
 - To date 27 shops have been provided a CAP around RPS, and as of last week 22 have been successful in meeting their targets, leaving only 5 with a CAP.
- **Escalation Process** Both associations advised that they have a process in place for MPI concerns to be escalated, although they haven't received many issues going to that stage. MMDA would like to work together to identify common concerns and work toward greater consistency. Some issues identified have been inconsistent application of MPI rules, or decisions between offices and staff.
- MPI advised consistency is important and they strive for this. Ongoing training and procedure updates are occurring, however there can be gaps with new staff, or some staff applying information in different manners. 13 new estimators hired last year, and 5 new this year.
- The ATA asked if MPI tracks denials, something that SGI does, and shares with the trade. MPI doesn't track specific denials at this point given some limitations in the estimating system, and the Mitchell compliance tool doesn't cover discretionary items contained in some estimating standards. However, MPI will reach out to SGI to determine what they are tracking and how they are doing this.

Action Items:

- MPI to reach out to SGI to see how they track their denials and how are they leveraging the information.
- This matter to be brought forward for the Technical and Parts Consultation Committee agenda.



Winter Storage and Tow-ins

- MMDA raised an issue that it is becoming very challenging for shops to store tow-ins, due to delays in parts and repairs. Customers are running out of u-drive coverage before their vehicle is even looked at.
- MPI advised they have secured additional temporary compound space and continue to work closely with contract towers to ensure that obligations are met.
- It was suggested that MPI identify total losses before vehicles are towed-in to the shops. MPI does this through a variety of ways and limits the number of price outs that are released. Some do come from customers looking to have their vehicles repaired, and this was heightened due to escalating used car prices and market shortages.
- MPI and the shops need to continue to let their customers know that they may need to look for alternate transportation. MPI is open to any suggestions from the associations and welcomes the opportunity to hear from them.
- MPI is open to collaborate on a joint press release to discuss the backlog at shops and the importance of a customer contacting the shop for availability at the start of the claim, along with raising awareness of possible repair delays due to ongoing supply chain issues, not the fault of the shops. This can also incorporate winter driving tips. MPI will initiate work on this and contact the MMDA and ATA for input on this.

Action Items:

- MPI to initiate press release on repair delays and backlog.
- Dana will review the criteria on non-drivable claims being towed to shops for price outs.

Improvements to Paintless Dent Repair (PDR) Process

- The ATA raised an issue of PDR and the repair process. ATA PDR members are requesting MPI to look at certain aspects of the PDR process that are causing a concern. A list of these concerns was shared, copy attached. It was asked if MPI would consider putting together a committee to review jointly.
- MPI has identified PDR and the hail estimating process as items that need to be reviewed in the next few months, in advance of spring. MPI welcomes industry feedback and is open to reviewing this further with the industry.
- This item will be added to the Technical & Parts Committee agenda, as several items would fall into a technical area. MPI is also looking at providing the Mitchell estimating solution to PDR shops to streamline the process including payments.
- MPI noted one concern about PDR shops being compensated if a vehicle becomes a total loss. MPI confirmed that PDR shops are eligible for the 2.5 hours compensation, which is provided to shops where a vehicle becomes a T/L.
- The ATA further advised of the importance of repair facilities being involved in the



process where there is a sublet, as there are warranty issues, and safety items such as scans that may be needed and fall under the collision shop.

- Steve advised that MPI will bring this matter to the Technical and Parts Committee to discuss PDR improvements and work on processes for obtaining industry feedback.

Action Item:

- PDR to be added to the Technical & Parts Consultation Committee Agenda.

Inflationary Pressure

- The ATA presented for information purposes the impact on apprentice wages due to the recent and upcoming increase on minimum wage. There is legislation in place that identifies a multiplier to the minimum wage for calculating the minimum apprentice wage at each level.
- MPI appreciated receiving this information.

Bumper Repair vs. Replace

- The ATA asked if there had been a policy change with MPI estimating regarding decisions to repair vs replace bumpers. Some shops have heard from estimators that a change is happening. MPI advised that repair has always been an option. MPI's estimators recently took the I-CAR courses relating to plastic repairs and their awareness of the opportunities has increased.
- MPI may consider a research initiative on this topic, but there will be further consultation through the Technical & Parts Committee. Repair facilities will be made aware of any changes in advance through the Technical & Parts Committee and applicable Notices to the Trade.
- Currently, there are no recycling options for bumpers. All are going to the landfill, and this is an environmental issue that is a growing concern to industry. Currently local recyclers don't have the equipment to bale the bumpers.
- This issue was previously raised at the Technical & Parts Committee and MPI is interested in any programs identified or developed by the repair industry or the associations. Dana advised that MPI is working with a company regarding recycling of child car seats that are returned to MPI. Perhaps they may have options for plastic bumper covers.



MPI Industry Town Halls

- MPI advised that dates are set for the town halls and a draft agenda has been shared with ATA and MMDA.
- ATA and MMDA advised that they will both send out a reminder to the industry for the town hall dates.

Round Table

- A question about the LKQ surcharge and MPI's procedure for reimbursing shops was raised.
 - MPI is aware of the concerns and is concerned about this charge continuing. MPI is currently reviewing the position on this matter, and further information will be forthcoming

Meeting adjourned at 3:17 pm