



## Technical and Parts Consultation Committee Minutes

January 6, 2022

1:00 pm to 3:00 pm

### Committee Attendance

- Tully Gawazuk, Industry
- Ryan Kehl, Industry
- Ferd Klassen, ATA
- Franca Colosimo, Industry
- Lynsey Wilson, MMDA
- Steve Lupky, MPI
- Robert Ferreira, MPI
- Gord Froese, MPI
- Rod Sproule, MPI

### Regrets:

- Waldemar Koos, MPI

### *Action items from previous meeting's agenda (October 25, 2021):*

#### **Mechanical Operations Review and Upcoming Survey**

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Further to discussion at the last committee meeting about a review of mechanical operations, Steve Lupky advised that MPI has begun researching the mechanical portions of claims as well as training provided by the auto body apprenticeship programs. Mitchell is being reviewed in relation to mechanical components identified in the system.

A review of the previously drafted designated repair standard could be a start. This was put together back in 2018 by the previous Technical Committee.

There was discussion on finding options to identify and classify specific operations that are not able to be completed by a collision technician. Areas from the prior designated repair standard to review in more detail with the committee include:

- Drivetrain operations
- Electrical diagnostics
- Air bags
- Suspension
- Exhaust

All committee members agreed that there is value in sending out a survey to all accredited Manitoba repair shops. Committee members provided some suggestions for consideration of questions to be part of survey.

### **Action Item**

- MPI will prepare a draft survey and will share with committee for feedback. Target is to send a survey out to the shops within four to five weeks.



## Future research initiatives and request for volunteers

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Following the NTT about the initiative and calling for volunteers, three repair facilities are willing to participate at this time. The first research initiative will be on bumper refinishing times. It is challenging to initiate immediately due to the ongoing Covid restrictions. Research & Estimating will develop the scope and parameters which will be shared with this committee and the volunteers. Once the project is complete, the results will be shared with the participating shops and the Technical & Parts Consultation Committee.

## Updates on Parts Autonomy (PA)

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- MPI shared several slides on PA (attached).
- Results are encouraging, and industry performance continues to improve.
- Currently:
  - 3 shops were put on corrective action plans.
  - 86 shops put on performance review, however many of these shops are very close to meeting their RPS scores.
- Each of these shops would be provided with a detailed performance review that provides repair facilities with data to focus on opportunities.
- Each repair facility also receives a phone call offering support. IPRO usage is still lower than expected and is an opportunity to improve RPS if used. Committee feedback was that sourcing out parts is becoming more of a challenge.
- Industry is noticing more vehicles sitting longer waiting on parts. Impacts on non-drivable is being felt in repair delays and loss of use.
- MPI confirmed they are monitoring this situation and appreciates the feedback from the repair industry. This is an issue in most parts of Canada and the US.

### Action items

- MPI will continue to review the parts supply chain issues and repair delays in relation to Parts Autonomy, as well as customer impacts. MPI will continue to consult with industry.

## RPS KPI Changes – Year Change

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- Request made to MPI to investigate changing to the year.
- MPI advised that the change would require adjustments and proper analysis required to understand the impacts that it would have to all shops. This change would appear to result in some positive and some negative RPS changes.
- MPI will continue to investigate other areas of opportunity raised by the industry in 2022 that would be best made in conjunction with date of loss to reduce frequency and effort of changes.
- MPI will monitor shop performance that may have had their targets impacted by the year change prior to making corrective action plan decisions.
- Two points were raised in regard to this issue:
  - Work in progress and Year change impacts RPS



- Current state of parts availability creates more vehicles impacted by the year change than prior.
  - Two separate discussions may need to be had as one issue is causing a severity in the other.

#### *Action item*

- MPI to investigate these areas within PA further and bring this back to the committee at future meetings.

### **New Items to Discuss**

#### ***Loss of Use***

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- Ferd Klassen brought forward a concern with loss of use due to parts supply delay and towing delays, in particular, non-drives as discussed previously. Customers are using up a significant portion of their u-drive rental expenses before the vehicle gets to the shops, and then there are further delays in ordering parts. What options are available? Is it possible for customers to purchase more?
- Steve advised that first party loss of use is a legislated policy, and the customer has options on how to use the allowance outside of a rental. It can be used on an intermittent basis when transportation is needed and can be used on public transportation and other options. MPI recognizes the options are not always available in rural Manitoba and is reviewing the situation. Ferd asked if providing an extension to the 30 days that a customer could purchase like rental car coverage was an option.
- Steve confirmed ongoing review at MPI, and we will continue to have discussion with the repair trade on these issues facing our customers.

#### ***OFIs***

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- Ferd advised that three specific submissions on Opportunities for Improvement were presented to the ATA. Primarily, obsolete parts related and the process of escalation.
- The information was provided just prior to the meeting, so Ferd discussed each issue.
- A discussion was held on how issues are escalated, and the importance of the right information being shared by both MPI and a shop. Clear communication is important.
- Research & Estimatics will take away and investigate these matters.
- In the future, OFI's can be shared in advance of the meeting with the committee. MPI looks forward to hearing this type of feedback. Action Item:

#### *Action item*

- The three OFIs will be reviewed and feedback will be provided to the committee.



## ***Electric Vehicles (EVs)***

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- Tully Gawazuk shared the importance of understanding the significant changes electric vehicles will have on the repair industry and MPI. He enquired if there had been any thought or discussions by MPI yet on reparability and location of repair shops.
- The levels of damage and how it needs to be repaired could potentially be much more extensive. Not every shop will have the capability for these repairs.
- Additional towing may be required to move these vehicles to repair facilities. For example, currently no level 2 GM certified facilities are capable of repairing EVs.
- Lynsey Wilson commented that a lot of work will need to be done. MMDA has started work with GAC and CVMA to understand what certification and tooling requirements will look like for all manufactures. MMDA will work with MPI when this information is gathered.
- MPI's Research & Estimating is tasked with work in this area, and MPI would like to work with the repair industry and manufacturers to understand the technology and repair operations.
- MPI advised that there is currently a process in place to monitor and identify complex materials and we may need to include EV repairs.
- MPI advised that this as a high priority for 2022 and will be working to identify which shops are certified/equipped/trained/tooled to fix electric vehicles.
- Further discussions at this committee will occur.

## ***Surplus of damaged bumpers – disposal/recycling/bumper initiative***

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- Ferd Klassen advised that there have been recent conversations within industry leaders. We all need to realize this is an important issue and must work to keep these out of the landfill.
- ATA is very interested in finding solutions and invites MPI to be involved.
- MPI confirmed they are interested in opportunities that would promote proper disposal and limit environmental impacts. This would need to be an industry lead initiative and MPI would be open to discussion as to how MPI can participate once industry has developed a plan or program.
- Ferd will provide further information to this committee as it develops.

## ***Photo Capture demo***

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- Amory Kuypers, Manager, Estimating Operations at MPI joined the meeting to provide an overview of the step by step process of the Photo Capture process that customers use.
- The current time for an estimate is about three days
- If a customer does not provide images within the timeframe the link is open, they can request a new link be sent.



- Question regarding the impact PBE has on KPIs. MPI is currently reviewing KPIs against all estimating options.
- Lynsey asked if MPI was changing terminology on what is considered a first estimate given PBE. MPI is currently reviewing how supplements are considered and the impact on changes. More information will be provided as options are developed. MMDA requested a timeline on this change.
- Industry question around whether facilities should be order parts based on those estimates. Group conversation was that it is a shops business decision as to whether they want to order parts based on initial estimate or complete a tear down prior to ordering parts so you can book the repair appointment when all parts are available.

#### **Action Item**

- MPI will provide an update on potential changes to terminology and supplement handling.

#### **Round Table**

##### **MPI**

- MPI advised the committee that though some shops are trying to improve their RPS some shops are going about it the wrong way. RPS captures savings to MPI so by not providing MPI with an accurate FRA and not providing actual savings to MPI there shouldn't be any RPS credit. Examples are being identified using data for our audit unit to adjust the data entry. SRAs will follow up with those facilities to correct the behavior. Audited claims shift reporting periods which can be avoided by providing MPI with an accurate FRA.
- NTT will be going out reminding shops that their proof of insurance requirement deadline of January 31st.

##### **MMDA**

- Lynsey Wilson enquired about previous Parts Autonomy info. It was previously recorded that 35 shops had taken advantage of rebates. Any additional shops now? MPI advised no updates – still working on 3rd quarter info. MPI will begin study in the north – solely mechanical based claims pilot for accepting work orders. Communication has been drafted. Should be going out January 17/22.
- Question regarding where MPI was with the Northern Mechanical Pilot and an update was given that a pilot was aimed to start Jan 17th. This has now been delayed to mid February with communication to the pilot shops to take place prior to start date.

#### **Next Meeting:**

- Waldemar will send out communication to look for suitable date for next meeting. Meeting to take place in approximately two months from today.

**Meeting adjourned at 3:08 pm.**

# Parts and Technical Committee Meeting

January 6 2022



MANITOBA  
PUBLIC INSURANCE

# AGENDA

## 1. Action items from last meeting

- a. Mechanical operations review and upcoming survey
- b. Future research initiatives & request for volunteers

## 2. Updates on PA

- a. NTT on performance
- b. RPS KPI Changes – Year change

## 3. New items to discuss

- a. Loss of Use
- b. OFIs
- c. Electric Vehicles
- d. Surplus of damaged Bumpers - disposal/recycling/bumper initiative

## 4. Photo Capture demo – to be done at last part of meeting (Amory Kuypers)

## 5. Roundtable



# Mechanical operations review and upcoming survey





# Review of Apprenticeship Training

- MPI has compiled a list of operations identified by Mitchell as mechanical.
- We have engaged the instructors from Red River College to help use identify which of these operations are covered by the highlighted courses below.
- Notwithstanding the red seal qualifications, shops may choose to assign work differently based on tooling and comfort levels that are impacted by how often someone does this type of work.

## Apprenticeship Manitoba

Level Chart: Motor Vehicle Body Repairer (Metal and Paint) - Technical Training

Level One (8 Weeks)				Level Two (7 Weeks)			
Code	Unit Title	T	P	Code	Unit Title	T	P
A1	Learning About Work	7	0	B1	Trade Related Mathematics	14	0
A2	Trade Safety Awareness	6	1	B2	Tools and Equipment II	3	4
A3	Tools and Equipment I	3	4	B3	Trade Related Documents II	4	3
A4	Cutting and Heating	3	4	B4	Corrosion Protection and Sound Deadening Materials	4	3
A5	Gas Metal Arc Welding (GMAW [MIG]) I	7	21	B5	Stationary and Moveable Glass	8	6
A6	Trade Related Documents I	5	2	B6	Metal Panels and Components II	7	42
A7	Communication	6	1	B7	Plastic and Composite Panels II	12	23
A8	Trim and Hardware	2	5	B8	Interior Components	3	4
A9	Metal Panels and Components I	7	42	B9	Refinishing Equipment Preparation II	4	3
A10	Body Fillers and Abrasives	4	10	B10	Refinishing Materials II (Prepares)	4	10
A11	Plastic and Composite Panels I	4	3	B11	Refinishing Materials III (Applies)	7	28
A12	Surface Preparation	4	17	B12	Post-Refinishing Functions II	4	3
A13	Repair Materials	4	17	B13	Electrical Fundamentals	10	4
A14	Refinishing Equipment Preparation I	4	10	B14	Gas Metal Arc Welding (GMAW [MIG]) II	7	21
A15	Refinishing Materials I	8	27				
A16	Post-Refinishing Functions I	4	10				
A17	Trade Related Science, Mathematics and Batteries	23	5				
	<b>Subtotals</b>	101	179	<b>Subtotals</b>		91	154
	<b>Total</b>	<b>280 Hours</b>		<b>Total</b>		<b>245 Hours</b>	

Level Three (7 Weeks)				Level Four (6 Weeks)			
Code	Unit Title	T	P	Code	Unit Title	T	P
C1	Environmental Awareness	7	0	D1	Journeyman Trainer	7	0
C2	Tools and Equipment III	3	4	D2	Tools and Equipment IV	3	4
C3	Metal Inert Gas (MIG) Welding and Squeeze-Type Resistance Spot Welding (STRSW)	7	28	D3	Steel and Aluminum Welding	7	28
C4	Rivet Bonding	4	3	D4	Straightening Aluminum	4	3
C5	Mechanical Components I	7	21	D5	Mechanical Components II (Removes and Installs)	7	21
C6	Electrical and Electronic Components I	11	3	D6	Structural Components III (Prepares)	7	14
C7	Supplemental Restraint Systems	5	2	D7	Structural Components IV (Removes, Repairs and Installs)	4	24
C8	Structural Components I (Prepares)	7	28	D8	Electrical and Electronic Components II	6	1
C9	Measuring and Gauging	7	21	D9	Unitized Body and Conventional Frame Repairs	8	48
C10	Structural Components II (Removes, Repairs and Installs)	8	34	D10	Final Inspections	3	4
C11	Refinishing Materials IV	7	21	D11	Pre-Interprovincial Review	7	0
C12	Alternate Fuel Systems	5	2				
	<b>Subtotals</b>	78	167	<b>Subtotals</b>		63	147
	<b>Total</b>	<b>245 Hours</b>		<b>Total</b>		<b>210 Hours</b>	



# Review of Previous Designated Repair Standard

- MPI went back to our recently archived Standard known as Designated Repair as a starting point for our review.
- This included reviewing the items that met the outlined criteria in the Designated Repair Estimating Standard
- **Reviewed all operations previously requested by the trade in 2018 based on a specific criteria.**
  1. Is there any specialized training required for these operations?
  2. Is there specialized tooling/equipment that would not be found in a Auto body repair shop?

MPI is looking for feedback regarding our previous position, recent LVAA changes and our recent discussion regarding tooling and training capabilities of an auto body repairer required for those operations.

MPI had mentioned a Industry survey on Mechanical operations and sublets.

- Asking committee to provide questions for Industry Survey they feel would be of value to support this review.

Designated Repair		
ATA Proposed for Designated Repair Rate	Specialized Tools Required	Specialized Training Required
Suspension	—	—
Sub frames	Yes	Yes
Alignments	Yes	Yes
Differentials (R&I)	Yes	Yes
Transmissions (R&I)	Yes	Yes
Engines (R&I)	Yes	Yes
Exhaust	—	—
Air Conditioning	—	—
A/C Recovery	Yes	Yes
Wiring & Electrical Repairs	—	—

Overhauls		
<b>Engine</b> <ul style="list-style-type: none"> <li>• R&amp;I</li> <li>• Overhaul</li> <li>• R&amp;R (incl. short or long blocks)</li> </ul>	<b>Sub frame</b> <ul style="list-style-type: none"> <li>• R&amp;I</li> <li>• R&amp;R</li> </ul>	<b>Transmission</b> <ul style="list-style-type: none"> <li>• R&amp;I</li> <li>• Overhaul</li> <li>• R&amp;R transmission housing</li> </ul>
<b>Transaxle</b> <ul style="list-style-type: none"> <li>• R&amp;I</li> <li>• Overhaul</li> <li>• R&amp;R transaxle housings</li> </ul>	<b>Differential</b> <ul style="list-style-type: none"> <li>• R&amp;I</li> <li>• Overhaul</li> <li>• R&amp;R differential housings (front and rear)</li> </ul>	<b>Transfer Case</b> <ul style="list-style-type: none"> <li>• R&amp;I</li> <li>• Overhaul</li> <li>• R&amp;R transfer case housings</li> </ul>
Electronic Diagnostics		
<ul style="list-style-type: none"> <li>• <a href="#">Advanced driver assistance systems (ADAS) calibration</a></li> <li>• Airbag (SRS) diagnostics</li> <li>• Anti-lock brake bleed</li> <li>• Anti-lock brake diagnostics</li> </ul>	<ul style="list-style-type: none"> <li>• Emission systems scan diagnostics</li> <li>• Immobilizer reprogramming</li> <li>• Transmission scan diagnostics</li> </ul>	
Alignments		
<ul style="list-style-type: none"> <li>• Four wheel alignment</li> <li>• Front end alignment</li> </ul>		
Air Conditioning Recharging		
<ul style="list-style-type: none"> <li>• Open system (2.0 hours)</li> <li>• Closed system (2.3 hours)</li> </ul>		

# Future research initiatives & request for volunteers



# Update to Trade Response

MPI sent communication to the industry for volunteers to partner in future research initiatives.

1. NTT was published December 10th
2. Call for volunteers closed on December 24th
3. Three repair facilities to date would like to participate
4. Next steps



# Updates on PA



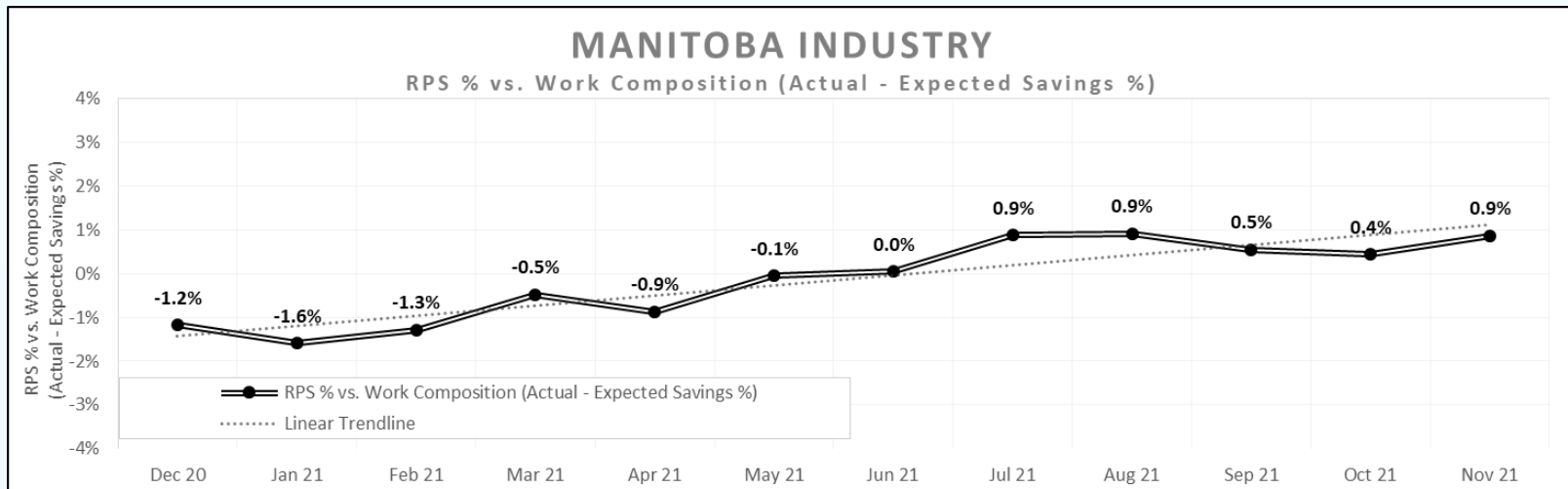
# Updates on PA Nov data

- 3 Shops on RPS Corrective Action Plans
- 86 Shops on RPS Performance Review
- IPRO usage for Nov paid claims is an area to improve in
  - 28.4% had recycled parts searched

How is the Industry trending?

FY	2020/21	2021/22		
Tier	Q4	Q1	Q2	Q3
Level 1 - 2	97	116	132	131
PR	134	114	102	96
No claims	6	7	3	10
Success %	42.0%	50.4%	56.4%	57.7%

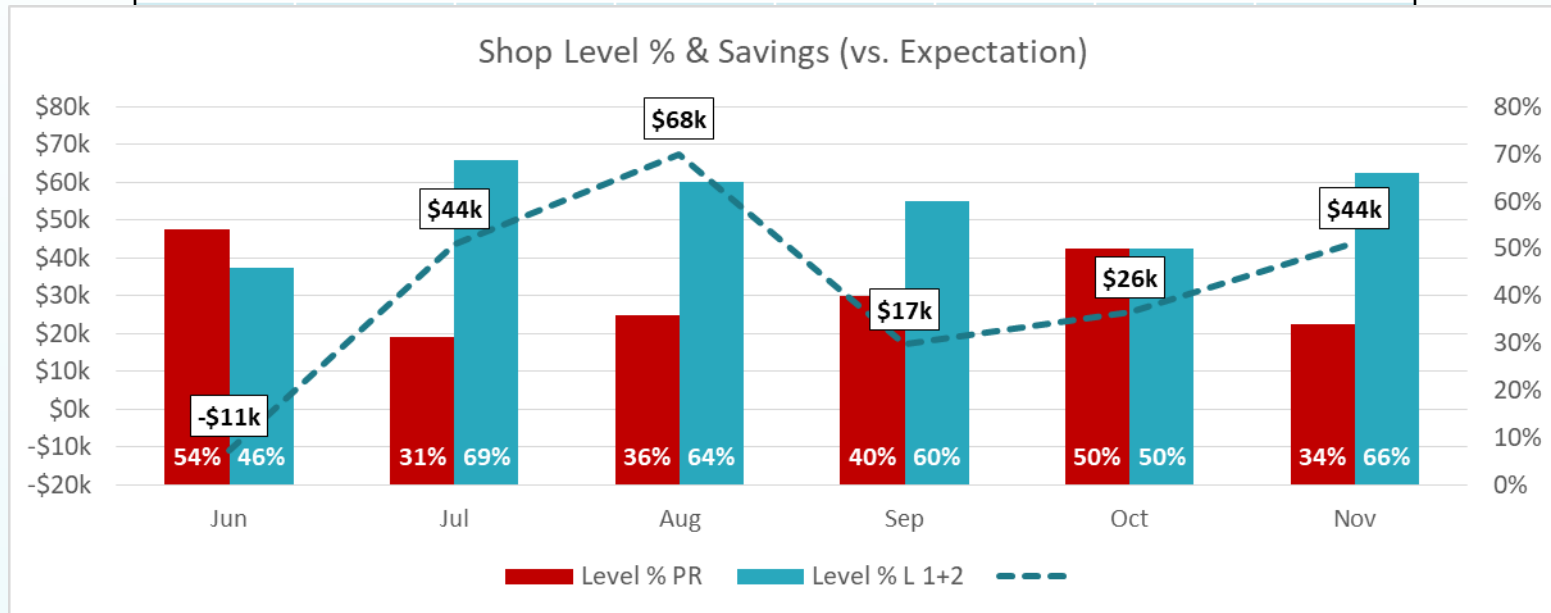
Q3 – Oct, Nov



# Shop Type Analysis

**Dealer** – shop success & financial impact

2020/21		2021/22					
Q4		Q1		Q2		Q3	
PR	L 1+2	PR	L 1+2	PR	L 1+2	PR	L 1+2
67%	33%	64%	36%	31%	69%	34%	66%



\*Q3 only contains 2 months at this time. Updated monthly for progress monitoring

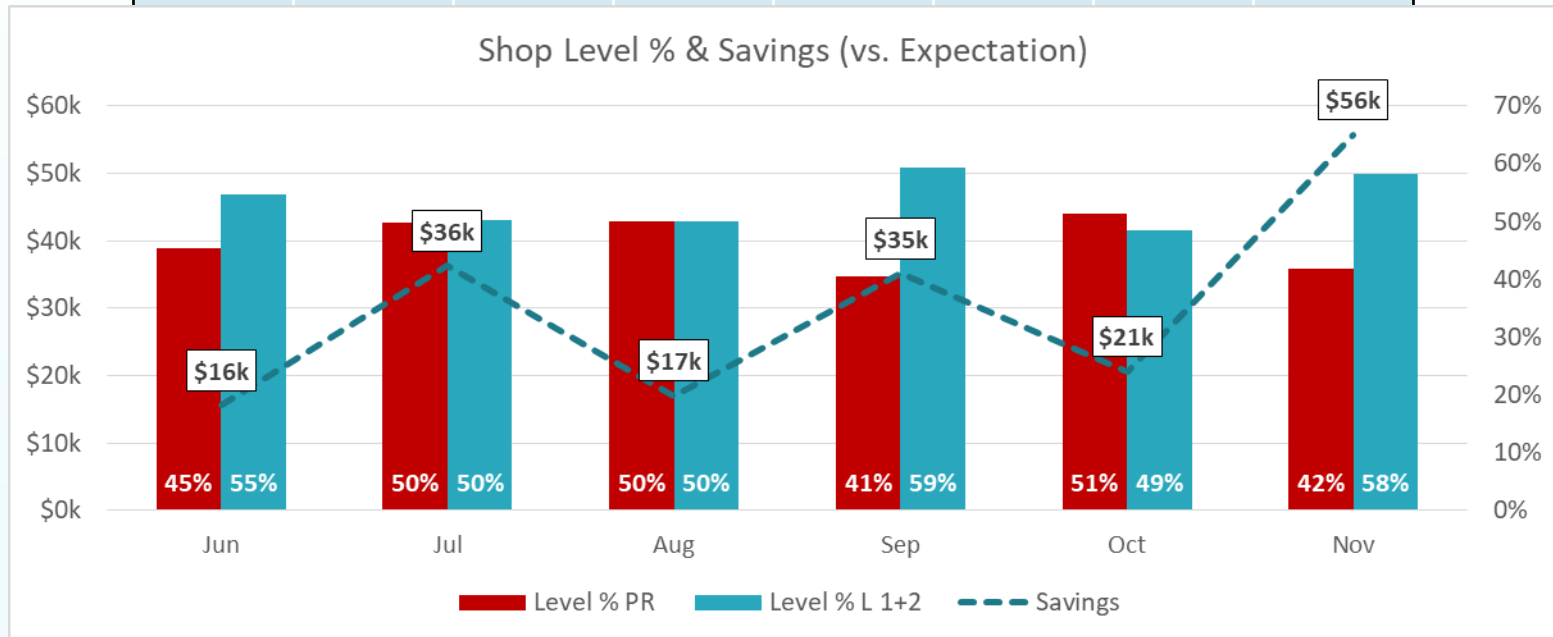
Q3 – Oct, Nov



# Shop Type Analysis

**Independent** – shop success & financial impact

2020/21		2021/22					
Q4		Q1		Q2		Q3	
PR	L 1+2	PR	L 1+2	PR	L 1+2	PR	L 1+2
55%	45%	46%	54%	48%	52%	45%	55%



\*Q3 only contains 2 months at this time. Updated monthly for progress monitoring

Q3 – Oct, Nov





# RPS KPI Changes

MPI had previously discussed investigating our RPS to shift away from Ready for pay date towards Date of loss to address the concern of the year change. The change will require rebaselining. MPI is unable to address this concern in time for 21/22 year change.

MPI is reviewing requirements and impacts to rebaselining which will effect some shops negatively as well as positively and that needs to be reviewed.

MPI will continue to investigate other areas of opportunity raised by the industry in 2022 that would be best made in conjunction with the date of loss change to reduce the frequency and effort of changes.

As always MPI will monitor shop performance closely where any performance targets missed will be reviewed and taking into consideration of the year change.



# New items to discuss

Surplus of damaged Bumpers

Loss of Use

OFls

Electric Vehicles



# Photo Capture demo



# Round Table

