



Technical and Parts Consultation Committee Minutes

January 19, 2023

1:00 pm to 3:00 pm

Committee Attendance

- Tully Gawazuk, Industry
- Ryan Kehl, Industry
- Ferd Klassen, ATA
- Dennis Cloutier, ATA
- Ferd Klassen, ATA
- Lynsey Wilson, MMDA
- Waldemar Koos, MPI
- Robert Ferreira, MPI
- Gord Froese, MPI
- Cody Sterzer, MPI

Regrets:

- Steve Lupky, MPI

Action items from previous meeting's agenda (November 17, 2022):

1. PDR Survey was Sent for Feedback

- The survey was sent as discussed. Preliminary results were reviewed later in this meeting.

2. Top Recovery Items were Shared

- Shared via email with committee members on December 29, 2022. Committee members confirmed that this is useful information.
- At the shop level, this is already being shared every month.
- ATA / MMDA requested an explanation of common repair facility errors so that they could identify opportunities to support their members.
- MPI does not track live claim denials. SRAs can provide performance reporting which identifies the top denied claims.



New Business:

1. Parts Autonomy

MPI presented the PA data for Q3, *see slides 4-6 below*.

In Q3, dealers exceeded the industry average and independent shops are also continuing with performance that is in line with industry averages.

The [planned KPI changes](#) are on track for mid-February. Parallel scorecards and new scorecards will be operational in May. The RPS baseline review is scheduled to begin in March and will continue throughout 2023.

Lynsey noted that there are a large number of new EV models coming to the Canadian market and recommended that MPI consider this trend for any future KPI changes or re-baselining. The current RPS groupings take new model years into consideration.

Recycler feedback was on the agenda but not discussed during the meeting.

A supplier brought forward concerns regarding repair shops ordering parts and then returning the order without just reason, having no intention of using the part. MPI is working with the supplier to look at specific examples but has shared this information with the Parts & Technical committee for their awareness. It is important that repair shops maintain positive relationships with their suppliers and the health of the PA program. More information will be shared when it becomes available.

If a repair shop has concerns with the service of a supplier or the quality of parts they provide, we strongly encourage the shop to escalate these concerns to MPI by using the applicable form on [MPIPartners > Forms](#)

2. PDR Review

The preliminary PDR survey results were discussed, (*see slides 8-11 below*). The slides currently show the pre-populated responses, free form responses are still being tabulated.

Roughly 260 shops received the survey with 33 responses submitted so far. MPI asked the trade representatives to continue to promote the survey within the industry. The survey will remain open and MPI is hoping for additional responses to be submitted. Potential of PDR for direct repair first estimating was discussed; however, the nature of catastrophic hail events requires a quick response based on an understanding of the overall impacts. Therefore, MPI will need to remain the first point of contact for hail estimating.



3. Delayed Towing

The new [Master Service Agreement \(MSA\) Updates and Support](#) NTT that was sent out on January 19, 2023. It contains further details regarding towing, definitions, scope of service, vendor requirements, and other import details.

To prevent issues such as vehicles being dropped off with no notice provided to the shops, no claim numbers, and no contact from the customer, it is important for the customer to reach out and inform the shop that they intend to have their vehicle dropped off. MPI is not permitted to release the customer's personal information. Repair shops should escalate related concerns through [the towing services escalation process](#) for resolution.

Depending on the circumstances, there may be additional options available for towing to or from a rural location depending on the requirements of the claim and repair.

Delayed towing may impact LOU coverage. The adjuster may decide to approve additional days if it is deemed reasonable.

The committee pointed out that Call Centre script regarding LOU can cause confusion. MPI confirmed that this has already been flagged for review and an update is pending.

Action Item

- Gord will follow up with the manager that is overseeing towing operations and report back at the next committee meeting.

4. Accessories

Two accessory scenarios were discussed, *see slides 14-16 below*. The slides also cover the rules for the two main applicable estimating standards; [Accessories & Special-Order Parts](#) and [Shipping & Freight Charges](#). The committee suggested that the Shipping & Freight Charges ES should be clarified to explain "additional costs" such as duties and import fees in more detail.

The industry representatives suggested that a simpler process be developed compared to the current accessory workflow. Recognizing that accessories are excluded from Parts Autonomy privileges because an OEM price does not exist to calculate RPS, the following ideas were put forward for consideration:

1. MPI to perform all accessory sourcing:
 - Shop would submit accessory requests as \$1 items
 - MPI should locate the lowest cost part, add the price to the claim and provide the supplier details
2. Shops to obtain three quotes:
 - Shops gather quotes from different suppliers for the required accessory
 - MPI approves the lowest cost accessory



The post payment audit process was enhanced last year to reduce recoveries when the part price was previously approved by an MPI estimator.

Action Item

- MPI to investigate potential workflow adjustments for further discussion at the next committee meeting.

Roundtable

Dennis

- SAAR spring conference in February, SGI will be having conversations with the PDR shops, open invitation to MPI.

Tully

- Currently has a Polestar EV in his shop. This vehicle had been at multiple shops previously, who were taking on these vehicles without proper tools or training which could pose a risk to technician safety or cause further damage to the vehicle. Tully suggested that the adjusters should assist the customers in finding an appropriate repair facility. Waldemar asked for the claim and committed to having an R&T tech assigned to review the claim as a case study. Gord added that concerns regarding complex EV repairs should be brought to the attention of Accredited Repair, similar to how complex material claims are handled. MPI will review the scripts for the Call Centre to help increase customer awareness about the EV repair process.

Action Item

- Tully will send a claim number to Waldemar to have a Research Technician assigned to the Polestar claim for review.
- MPI will look to expand the information provided to the customer regarding locating a shop to repair EV vehicles.

Lynsey

- Asked if MPI will continue to provide the top audit recovery items at the committee meetings. Rob commented that each shop already gets their own monthly report. If the committee is interested in the data, it can be refreshed at any time. Lynsey also asked if the [shop look-up](#) on the MPI public site could be updated to list shops with OEM certifications. Gord stated this would be a question for the Programs & Accreditation committee.

Next Meeting

MPI will send out a communication to collect agenda items and select a suitable date for the next meeting

Meeting adjourned: 3:45pm

Technical & Parts

Consultation Committee

January 19, 2022



MANITOBA
PUBLIC INSURANCE

Agenda

Actions from last Meeting

1. PDR survey was sent for feedback
2. Top recovery items were shared

New items to discuss

1. Parts Autonomy
2. PDR Survey
3. Delayed Towing
4. Accessories

Round Table



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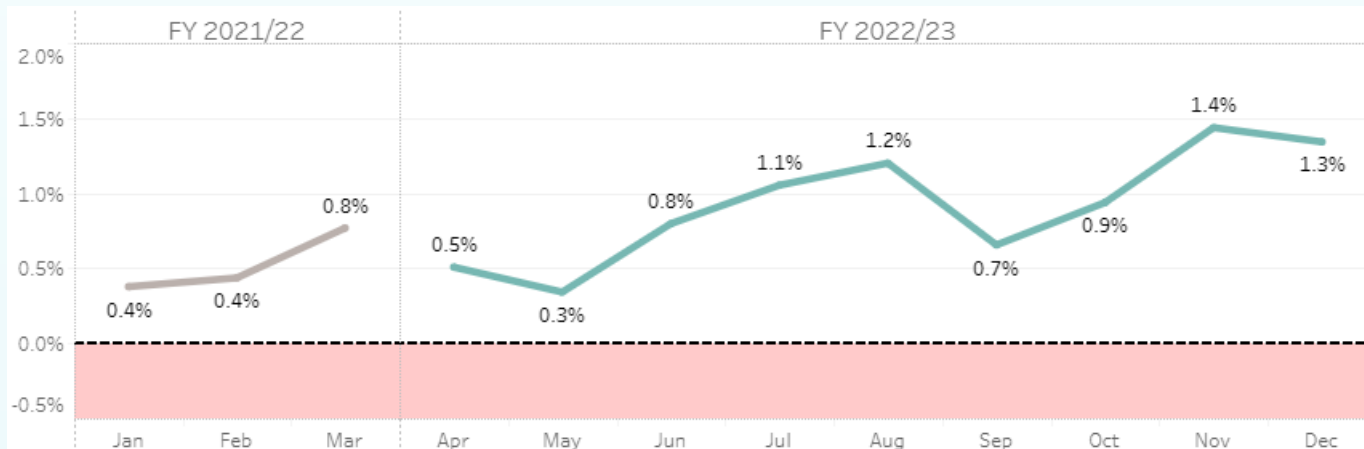
Parts Autonomy

RPS Quarterly Performance

	FY 2021/22	FY 2022/23		
	Q4	Q1	Q2	Q3
Level 2	36	27	45	42
Level 1	102	113	111	120
Perf. Review	91	88	71	64
Lost PA	1	1	1	1
Success Rate:	60.0%	61.1%	68.4%	71.8%

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

RPS Variance by Month

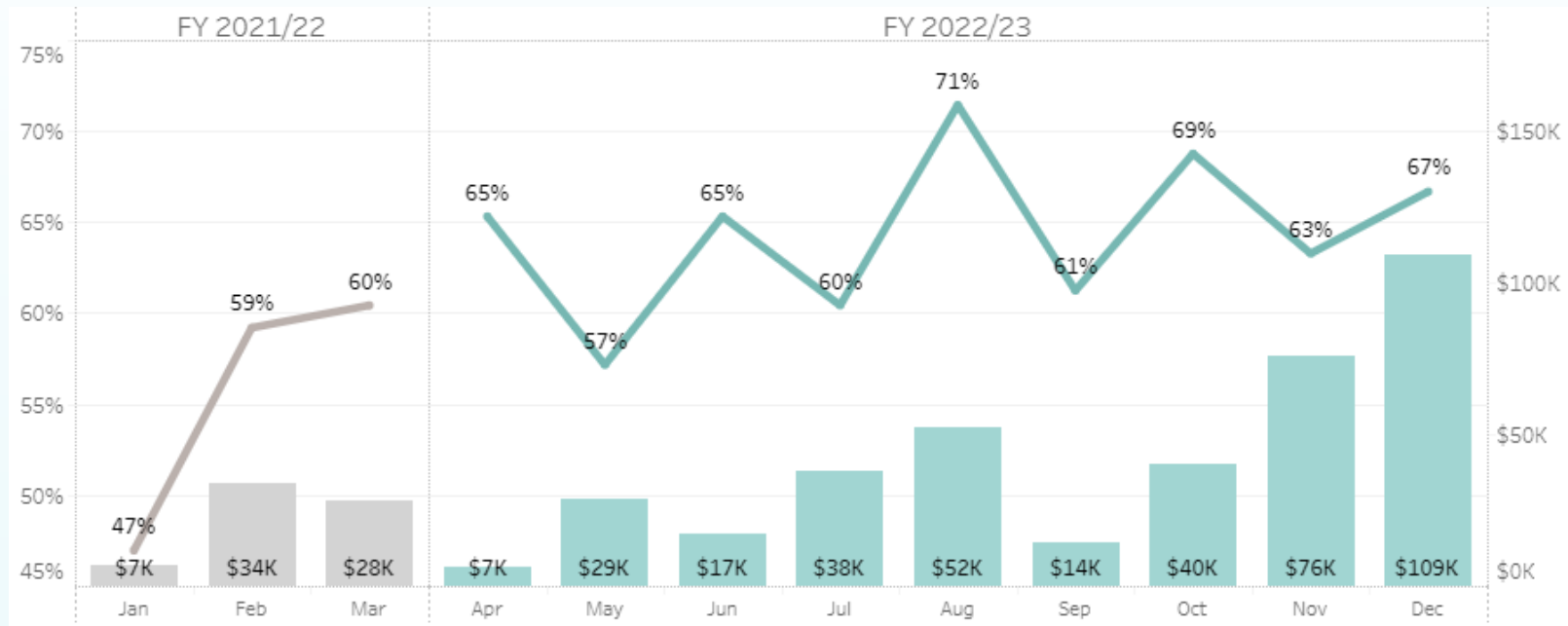


Shop Type Analysis

Dealer* — shop success

*Includes 1 shop in Lost PA

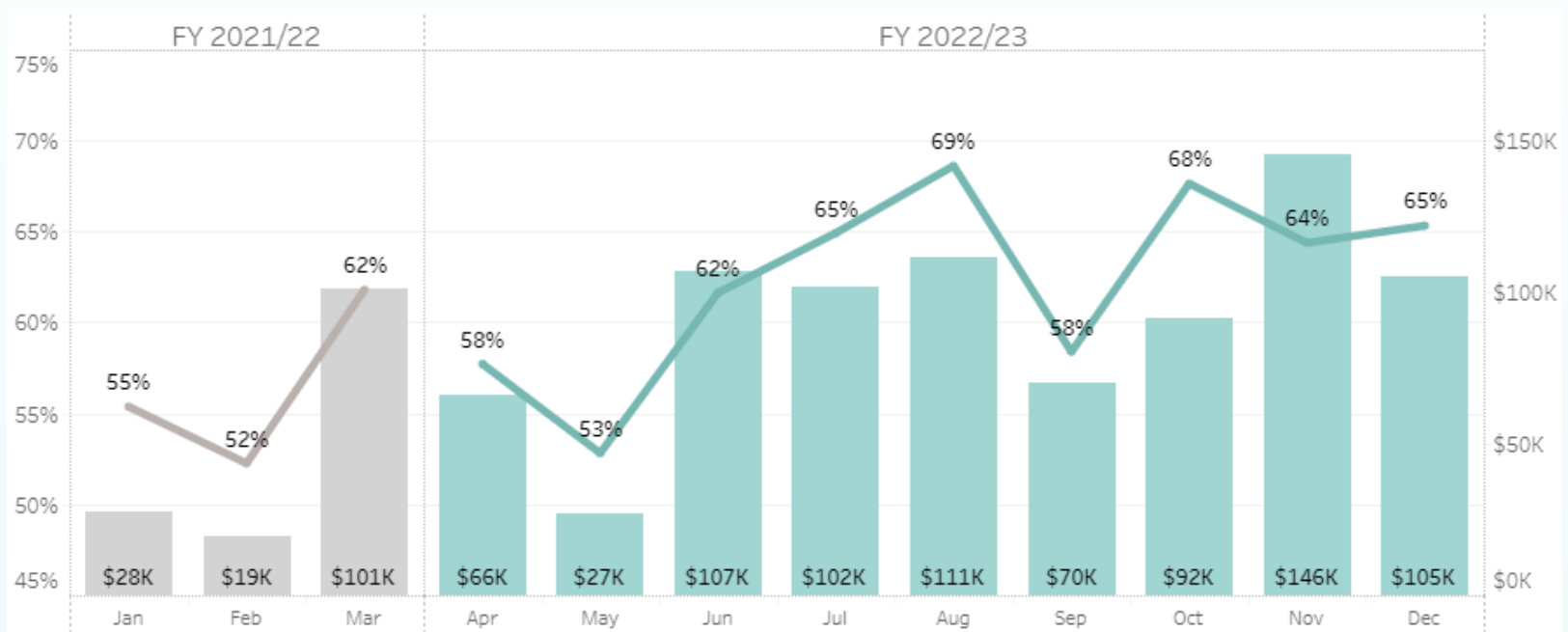
	FY 2021/22	FY 2022/23		
	Q4	Q1	Q2	Q3
Success Rate:	61.2%	61.2%	67.3%	73.5%



Shop Type Analysis

Independent – shop success

	FY 2021/22	FY 2022/23		
	Q4	Q1	Q2	Q3
Success Rate:	59.7%	61.1%	69.1%	71.3%



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PDR Survey – Preliminary Results

Q1 – Industry feedback, rank based on priority

A total of 33 respondents completed the survey.

Item	Position
Introduce push to paint allowance	1
Update the formula and allowances for PDR	2
Introduce allowance for high strength steel	3
Include R&I operations for access on hail calculator	4
Provide Mitchell Estimating to PDR shops to streamline the process including payments	5
Introduce PDR shop material allowance	6
Update estimate amendment sheet to show PDR separately from conventional labour subtotal	7
Review criteria for converting conventional repair to PDR	8
Streamline sublet process from autobody shops to PDR service providers	9
Clarify available compensation for PDR in case of total loss	10
Move toward one rate regardless of metal composition	11



PDR Survey

Q2 – Current processes, rank based on priority

Item	Position
Merge PDR estimating standards	1
Review Paintless Dent Repair (PDR) Oversized Dent Photo Requirements	2
Clarify process if the customer has Factory Paint Warranty or similar arrangements with the dealer where they purchased the vehicle	3

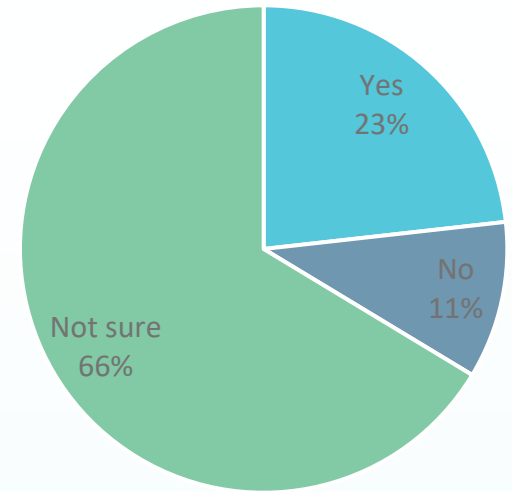
Q3 – MPI's recognition process for PDR service providers, rank preference

Item	Position
Introduce standalone PDR specific accreditation agreement with MPI similar to the light vehicle accreditation process for autobody repair shops	43%
Keep current recognition process	43%
Enhance current recognition process	23%

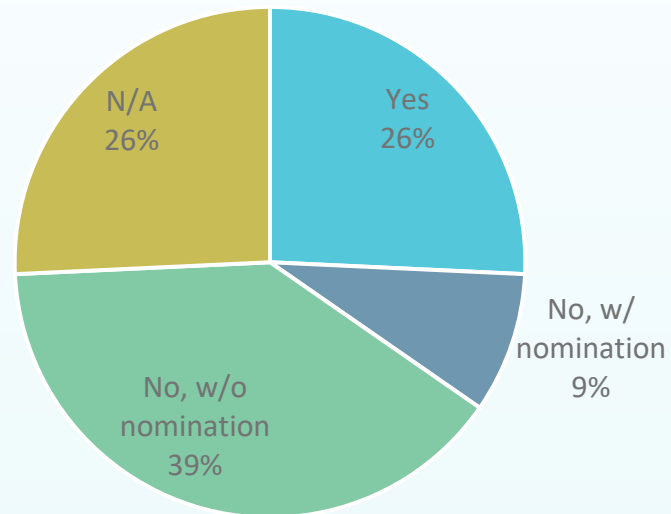


PDR Survey

Q5 – *Regarding technician qualifications and training, should MPI consider industry certifications*

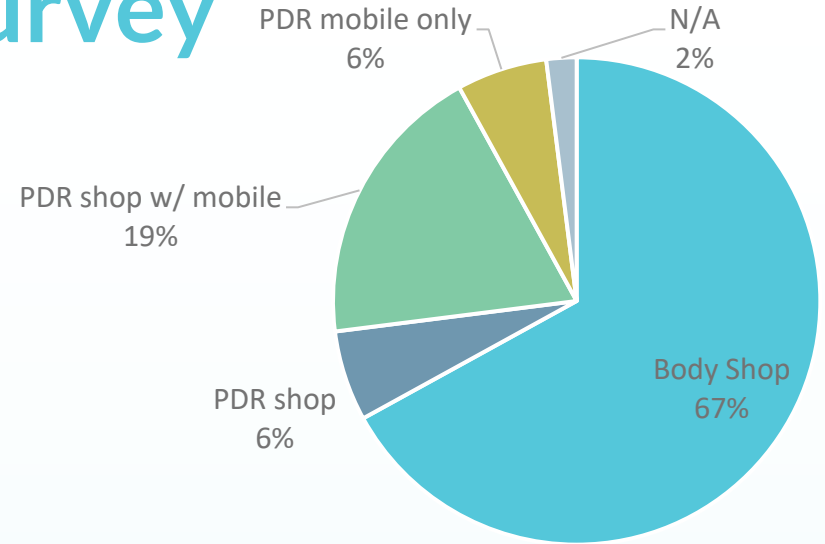


Q6 – *Would you like to participate in a round table discussion?*

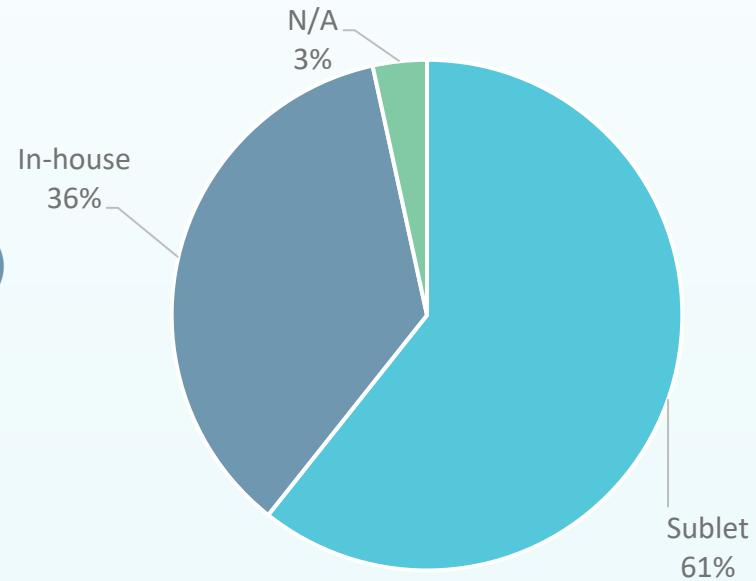


PDR Survey

Q7 – Which of the following best describes your business?



Q8 – How do you complete or access PDR? (multi-select)



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Accessories

Applicable Standards

Accessories & Special Order Parts

Rules

1. The lowest cost market price option must be selected.
2. The repair shop must obtain MPI approval for the part, price, and any associated costs prior to ordering.
3. The markup must not exceed 25%.

Shipping & Freight Charges

Rules

1. Shipping/freight charges (including crate, brokerage, duties, etc.) must be approved by MPI prior to ordering the part(s).
 - All parts requiring shipping must be identified in an explanation line on the Shipping line entry.



Accessories – Example 1

Running Boards – Price & Shipping

Situation

- Shop ordered running boards from their supplier of choice at \$615
- Also arranged for their own shipping at \$62
- Approvals were not obtained prior to ordering

Outcome

- Lower cost running boards were available at \$490 incl. shipping (+38%)
- Recovery could not be prevented as the part had already been installed.



Accessories – Example 2

Bug Deflector – Price & Shipping

Situation

- Original shop selected OEM bug deflector in MCE
- Second shop changed part type to AM, did not use My Templates
- Part ordered from supplier of choice at \$102
- Invoice provided; however, the market price was blacked out
- Shipping incurred at \$34 through courier of choice

Outcome

- Lower cost bug deflector was available at \$99 incl. shipping (+37%)
- Recovery could not be prevented as the part had already been installed.



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