### **Technical and Parts Consultation Committee Minutes** November 17, 2022 2:30 pm to 4:00 pm

#### **Committee Attendance**

- Tully Gawazuk, Industry
- Ryan Kehl, Industry
- Ferd Klassen, ATA
- Dennis Cloutier, ATA
- Ferd Klassen, ATA
- Lynsey Wilson, MMDA

- Steve Lupky, MPI
- Waldemar Koos, MPI
- Robert Ferreira, MPI
- Gord Froese, MPI
- Cody Sterzer, MPI

#### **Regrets:**

#### Action Items from previous meeting's agenda (September 8, 2022):

- 1. Clarify RPS data discrepancy (old vs. new reports)
  - It was explained that certain updates, such as an audit recovery, may move a claim from one reporting period to another. These changes lead to the differences between older and newer reports. As a result, the most current report should be the only one being referred to.

Upcoming updates to the KPI's should address some of the issues; however, some claims movement will still occur.

#### 2. Update on Brandon area towing issues

• The trade representatives expressed that these issues go beyond key drop offs and include pick ups of vehicles that are already being repaired as well as vehicles being dropped off in high traffic areas of shop parking lots (specifically, in front of bay doors).

MPI acknowledged the concerns and stated that a recent (September 19) change to non-contract towing should address some of the issues.

Shops can also contact towingservices@mpi.mb.ca for assistance and if response times are slow the SRA can be contacted for further assistance, if needed.

• As a best practice, shops should provide claim number examples for faster and more accurate reviews

#### New Business:

#### 1. Parts Autonomy

Parts Autonomy quarterly performance was reviewed (see slides 5-7 below). The trend is showing steady improvement, particularly in Q2. Q3 only has one month of data currently:

- Success rate jumped in Q2 and the number of shops in performance review has dropped significantly
- More shops (44) have achieved incentive level two. The level two incentive was increased as mentioned in the <u>Parts Autonomy – Level 2 Incentive NTT</u>

Lastly, MPI has noted a trend for the first month of the quarter to show a lower success rate than the final month of each quarter. This would suggest that shops may be taking a more relaxed approach in the beginning of the reporting period and then trying to make up the difference near the end. It was advised that this can be a risky strategy and shops should aim for high success throughout each reporting period.

#### 2. PDR Review

MPI is aware of trade concerns regarding the current PDR/hail process. The committee was asked how MPI will formulate a plan to update the hail processes, including:

- o Hail estimating (including catastrophic events)
- Sublet repairs/split estimates
- Hail accreditation/recognition
- Conventional approval when PDR is not possible

MPI will be looking for trade (specifically PDR shops) input on these processes.

The committee felt that PDR shops should be brought into the conversation at an upcoming Parts & Technical Committee meeting. It was agreed that balanced feedback from both mobile repairers and bricks and mortar PDR shops would be required. Lastly, it was suggested that all MPI authorized PDR shops should be contacted for input and then a smaller representative group should be brought in to speak on behalf of the PDR industry at a future committee meeting.

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.

#### **Action Item**

• Draft a survey for the PDR shops (to be reviewed and approved by the committee).

#### 3. Tracking Denials

PDP has reviewed the SGI process for tracking denials, specifically on post payment audits. Several differences between the MPI and SGI processes were discussed:

| SGI  | MPI  |  |
|--|--|--|
| Audits performed 3 months post payment.                    | Audits performed the month following payment.<br>There are exceptions. |  |
| Summary is emailed.  | Summary added to journal note, and performance reports from SRA.       |  |
| Claims with customer complaints are audited.               | Claims with customer complaints are audited.                           |  |
| Creates a new (corrected) estimate for the shop to review. | Modifies the paid estimate so that the delta can be reviewed.          |  |
| Provides coaching based on audit results and missed items. | Provides coaching based on audit results, and missed items.            |  |

Rob discussed a report that is available that shows the most recovered items which are good training opportunities. The trade representatives would like to review this report and it was suggested that the ATA/MMDA could share it with the shops for awareness / assistance.

Some of the trade representatives asked that MPI call the shop on each recovery. Others felt that the current email process is preferable. Potential solutions were discussed to address the opposing viewpoints, PDP will continue to review the correct shop contact process for audit recoveries.

#### **Action Item**

• Rob to provide a report of the top recovery items to the committee.

#### 4. Town Hall Attendance

Two town halls have been completed with one virtual meeting to follow. MPI asked that the ATA and MMDA members of the committee continue to attend and represent the industry.

#### 5. Meeting Frequency

The group discussed the current schedule of the Parts and Technical Committee meetings. Due to the lower number of agenda items, it was suggested that the meeting change to a quarterly schedule. The consensus was that it would depend on the number of agenda items that are brought forward. Quarterly meetings might be too infrequent if there are important matters to address. It was decided that each meeting would be scheduled on a case-by-case basis once the number (or significance) of agenda items required a meeting. Going forward, MPI will continue to email and gather agenda items. If the agenda is short, the meeting can be pushed back, or switched to a virtual meeting.

### **Roundtable**

#### Franca

- Asked that the Estimators and Adjusters include their contact information when adding notes to the file. MPI explained that recent Adjuster training should help in this regard. If shops notice trends, they can let the SRA know so they can follow up with the Estimating/Adjusting Supervisors.
- Asked how the current technician shortage in the auto body industry could be addressed. The ATA representatives stated that this is one of their top priorities and they are working on a strategy and will include MPI and the MMDA. It was suggested that a sub committee within the ATA could be specifically dedicated to this initiative. MPI will be collaborating with Skills Canada, RRC, and the trade committees, and are open to other suggestions as to how they can provide support.

#### **Action Item**

• MPI to make sure the IVR line directory is being kept up to date.

#### Tully

• OEM repair procedures are changing frequently. Shops are encouraged to ensure they are using the most current procedures for every repair. Outdated procedures can lead to improper repairs

#### Gord

• Reminder about ICAR platinum/gold requirements was sent to the trade. Be aware that the platinum grandfathering program is ending in December.

#### Ferd

- Noted that ATA members are still struggling with proper application of accessories and suggested that this item be added to the agenda for the next committee meeting.
- Bumper repair see Steve round table below.
- Inquired about the progress with the loss details updates with Mitchell. It was explained that a solution should be in place early next calendar year. In the meantime, MPI will explore the option of copying and pasting the loss details into journal notes for photo-based estimates.



#### Steve

Estimators have recently completed plastic repair I-CAR training and MPI recognizes this has led to some friction between shops and some estimators. It was clarified that MPI has not created a plastic repair policy, rather MPI is promoting repairs where they are suitable which has always been the approach. Going forward, MPI will work with the Estimators and shops to promote plastic repairs more collaboratively. MPI is considering ways to further engage repair shops by offering repair demonstrations on site.

The trade representatives did agree that plastic repair tools and training are an important investment with many benefits such as improvements to gross margins and cycle times, the ability to avoid parts back orders and the reduction of plastic waste.

• An additional concern regarding repairability and ADAS components was raised. In some cases, repair may not be an option due to the placement of ADAS cameras and radars. When this is the case, it is the responsibility of the shop to provide the documentation to support R&R.

#### **Next Meeting**

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

#### Meeting adjourned: 4:15pm

# **Technical & Parts**

# **Consultation Committee**

# Sept 17, 2022





- 1. RPS data discrepancy (old vs. new reports)
- 2. Brandon area towing issue key drop offs

New items to discuss

- 1. Parts Autonomy
- 2. PDR Review
- 3. Tracking Denials
- 4. Town Hall Attendance





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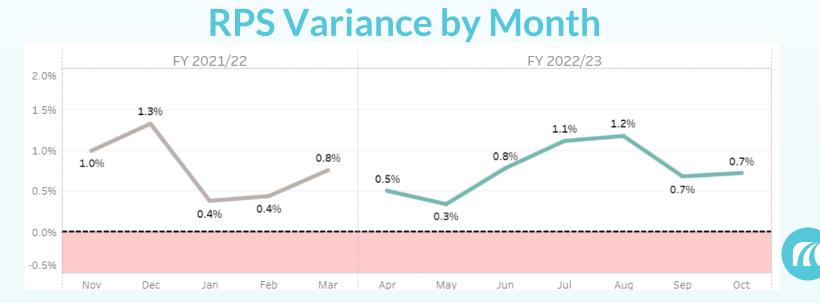


# **Parts Autonomy**

# **RPS Quarterly Performance**

|               | FY 2021/22 | FY 2022/23 |       |       |
|---------------|------------|------------|-------|-------|
|               | Q4         | Q1         | Q2    | Q3    |
| Level 2       | 36         | ۲۷         | 44    | 44    |
| Level 1       | 102        | 113        | 113   | 94    |
| Perf. Review  | 91         | 89         | 70    | 83    |
| Lost PA       | 1          | 1          | 1     | 1     |
| Success Rate: | 60.0%      | 60.4%      | 68.4% | 62.6% |

Note: Shops with no claims are not included in counts. Q3 only contains 1 month at this time. Updated monthly for progress monitoring.



# 5

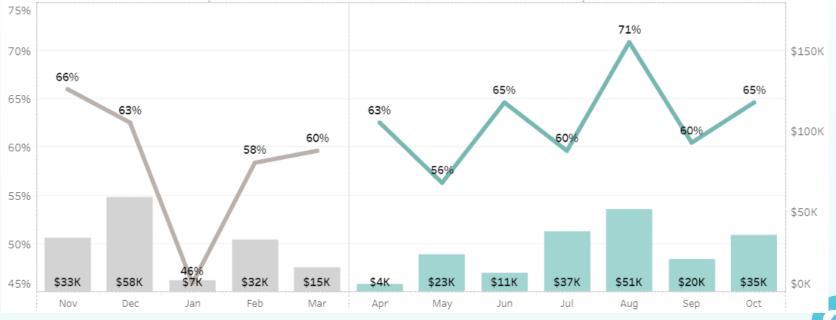
# **Shop Type Analysis**

## **Dealer\*** – shop success

\*Includes 1 shop in Lost PA

|               | FY 2021/22 | FY 2022/23 |       |       |
|---------------|------------|------------|-------|-------|
|               | Q4         | Q1         | Q2    | Q3    |
| Success Rate: | 60.4%      | 58.3%      | 68.8% | 64.6% |

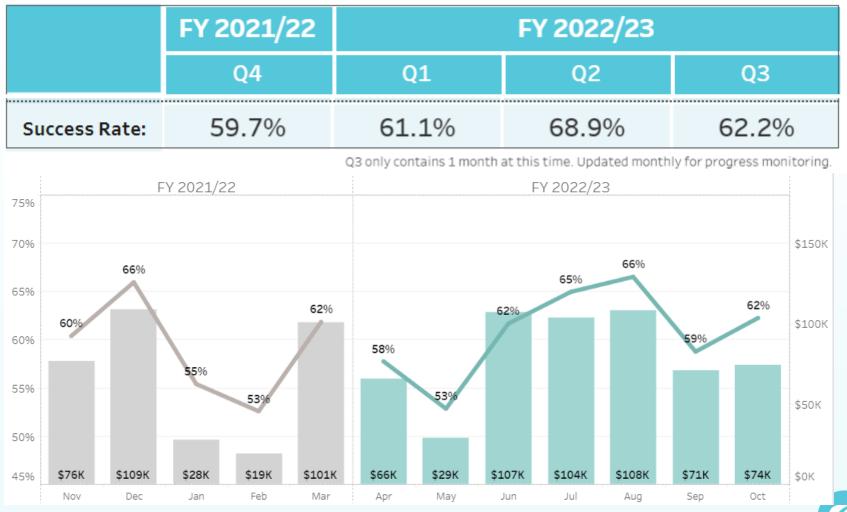
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Note: Y-axis on above chart and following slide are now the same for a comparative visual

# **Shop Type Analysis**

### Independent – shop success



Note: Y-axis on above chart and previous slide are now the same for a comparative visual



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New items to discuss

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- 2. PDR Review
- 3. Tracking Denials (from P&A)
- 4. Town Hall Attendance

