



March 31, 2023

Attn: Collision Repair Program participants

**RE: Collision Repair Program – Updates to severity calculation, KPIs and Program Guide for the 2023/24 program year**

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Hello Collision Repair Program Participant,

As we near the beginning of the new program measurement period (May 1, 2023 – April 30, 2024), I'm writing to share some updates we're making to the Collision Repair Program including an evolution in the way we calculate severity, re-weighting the Key Performance Indicators (KPIs), and making updates to the Collision Repair Program Guide (Program Guide).

### **Calculating severity**

Starting on May 1, 2023, we'll be improving the way we calculate severity, moving away from average severity to a measure called normalized severity, where all repairs are considered unique. Normalized severity is designed to measure a repair facility's ability to make cost effective decisions and considers claim and repair differences outside of a repair facility's control (work mix variables) when calculating average repair cost.

More than 150 work-mix variables which influence repair cost are considered when calculating Normalized Severity, such as:

- **Vehicle:** make, body style, engine type, model year, MSRP, fuel type (gas vs. electric)
- **Incident:** geographical region, point of impact, drivability, seasonality, incident type
- **Drive Status:** Whether the vehicle is drivable or non-drive (i.e., non-drive repairs compared against non-drive repairs)
- **Operations:** type of parts and repair work required (e.g. body, frame, mech., hood, bumper, etc.)

### **Updating KPIs**

As part of the evolution of the Collision Repair Program and the shift to normalized severity, we've made some updates to the KPIs, specifically the weighting of Estimatics, Cycle Time and Quality Assurance (QA).

The introduction of normalized severity allows us to reweight QA scores. Over the years, we've heard feedback from industry that there was too much weight placed on QAs as they have an element of subjectivity. With the introduction of normalized severity, we're able to address this feedback.

We'll also be removing the Key to Key measure, re-focusing cycle-time measurement solely on Avg. Hrs./Day. Key to Key will continue to be displayed on the CRP Scorecard under "Additional Information" but will not factor into the KPI Measurement.

The Repair to Replace measure will be updated as well, with the revised calculation based on part count rather than the current measure which is calculated on dollars.

You will first see the new KPIs reflected in the scorecard in June 2023 when it is emailed to you by Account Services. A comparison of the current KPI metrics and those that are upcoming are attached to this email.

### **Customer Service Index (CSI) Survey Update**

Beginning in April 2023, collision repair customers may receive a one-question SMS/Text based survey, asking a customer how likely they would be to recommend your repair facility to a family or friend. This pilot project will run from April until June 2023 to better understand response rate in comparison to existing phone and email surveying methodologies.

While CSI will continue to be a non-scoring metric, we will still collect surveys to better understand the customer experience. Specific Net Promotor Score (NPS) survey data will still be accessible via Mitchell Connect. Participants should continue to promote survey completion with our mutual customers as we'll look to identify a way to use the CSI metric in the future.



### **Updates to Collision Repair Program Guide**

We're also making updates to the Program Guide. You'll notice the Program Guide looks a bit different as it now reflects ICBC's new look and feel.

### **Updates take effect May 1, 2023 with the revised Program Guide available on the [partners page](#) shortly**

A detailed list of the most significant updates is below this email.

### **Tiering letters**

As a reminder, April 30, 2023 marks the end of the current measurement period. You can expect to receive a letter in late May outlining your new tiering status for the coming measurement period. The new tiering status will have an effective date of June 1, 2023.

### **Questions? Join us for a webinar or call us**

We understand there's a lot of new information here, so we're hosting two virtual sessions to help answer your questions. Participation is voluntary, but we encourage you to attend the session that best fits your schedule. Apprenticeship incentives are also on the agenda for this call.

- **Apr 19, 2023 9:00 am**
  - Use link to join  
<https://us02web.zoom.us/j/83486582486?pwd=SE5VNIBITFIzMTR3dG9lNHZoZTR6dz09>
  - Meeting ID: 834 8658 2486 / Passcode: 492911
  
- **Apr 20, 2023 02:00 pm**
  - Use link to join  
<https://us02web.zoom.us/j/86432111389?pwd=U1lBWTg3TTUrOEkrZ3gydm1VQm01dz09>
  - Meeting ID: 864 3211 1389 / Passcode: 517186

A recording of the sessions will be archived on the [ICBC partners page](#) for reference after the webinar.

[Account Service Representative](#) are also available to answer questions if you need assistance.

Sincerely

Alden Li  
Director, Claims Customer and MD Strategy



Collision Repair Program year end – Updates to KPIs and Program Guide

March 31, 2023

For distribution to repair facilities

## **Collision Repair Program year end – Updates to KPIs and Program Guide**

### **KPI and scorecard updates**

Below is a summary of the current KPI scorecard and the revised version that takes effect May 1, 2023.



## Current

KPI Measures	KPI Weighting		Repair Process Components	Data Description
	Overall	Sub-Weighting		
Estimatics	25%	40%	Initial Estimate Efficiency	Sum of initial approved estimate divided by sum of original estimate plus all supplements
		30%	Repair to Replace Ratio	Dollar amount of total repair labour divided by total replace labour amount
		20%	Alternate Parts	Total of alternate parts (after market and recycled not OEM) divided by total part amount (after market, recycled and OEM)
		10%	Average Severity	Repair costs divided by claim count (excluding ATS and PVRT)
Cycle Time	25%	75%	Average Labour Hours per day	Total repair hours (all labour hours) divided by number of days (24 hour clock on cycle time entry for car in/car out)
		25%	Key to key cycle time	Customer Pickup Date minus Customer Drop Off Date = number of days
QA	50%	60%	Overall file score	Derived from the completion of the QA assessment form
		40%	QA Variance	Total absolute variance divided by gross estimate total. Expressed as a percentage.





## Revised

KPI Measures	KPI Weighting		Repair Process Components	Data Description
	Overall	Sub-Weighting		
Estimatics	55%	15%	Initial Estimate Efficiency	Sum of initial approved estimate divided by sum of original estimate plus all supplements
		15%	Repair to Replace Part count	Total repaired parts divided by Total replaced parts (excluding parts under \$100), expressed as a Percentage
		15%	Alternate Parts	Total of alternate parts (after market and recycled not OEM) divided by total part amount (after market, recycled and OEM)
		55%	Normalized Severity	Measure of severity, adjusted for each supplier's unique work mix (see note below), (excluding ATS and PVRT)
Cycle Time	15%	100%	Average Labour Hours per day	Total repair hours (all labour hours) divided by number of days (24 hour clock on cycle time entry for car in/car out)
QA	30%	45%	Overall file score	Derived from the completion of the QA assessment form
		55%	QA Variance	Total absolute variance divided by gross estimate total. Expressed as a percentage.

## Summary of key Program Guide improvements

Below you'll find a summary of the key improvements to the Program Guide, including details on the KPIs. The following updates will take effect on **May 1, 2023**.

### Section 4.1.2 - Collection of Personal Information & 4.2 – Computer Technology

- We've made updates to both these sections to align to updated FIPPA requirements, removing the requirement for all personal information to be stored within Canada

### Section 4.5 – Safe, Proper Repairs

- We've clarified the requirement to follow manufacturer repair procedures in relation to repair, replacement and R&I of parts related to SRS and ADAS systems



#### **Section 4.6 – Repaired Vehicle Warranty**

- We've added clarification of expectation and potential action when a justified customer complaint related to repair has not been resolved by a Program Participant.

#### **Section 5.3 – Tiering Benefits in Tiers 1 and 2**

- For clarification, Parts autonomy had been added into the table as a Tier 1 benefit.

#### **Section 5.3.1 – Guidelines for Assessment Tier (New Subsection)**

- This section has been added to outline Assessment Tier in comparison to Tiers 1 and 2.

#### **Section 6.3.1 – Individual Participant KPI Report**

- The KPI Weighting Table has been updated with changes to Estimatics, introducing Normalized Severity and a change to the Repair to Replace ratio measurement.
- The Cycle Time KPI no longer utilizes Key to Key cycle time as part of the measurement. In addition, the weightings within the table have been amended.

#### **Section 7.1 – Program Administrative Processes and Responsibilities**

- We've included existing contract wording in this section that outlines a Collision Repair Program Participant's responsibilities when processing a repair for a customer with an ICBC claim. The note regarding the term "approved" in relation to an estimate has been moved from section 7.1 to section 8.2.

#### **Section 8.13.6 – Confirming Type of Loss**

- We've made a clarification of what to do when damage does not appear consistent with reported loss, referring to the Requires Review process outlined in section 8.14.

#### **Section 8.21 – Aftermarket Equipment**

- We've corrected errors in the formatting of the table and simplified the requirements for pre-pricing aftermarket equipment.

#### **Section 8.23.1 – Exception (to 8.23 Sublet Conversion)**

- In all instances, Program Participants will utilize Mitchell entries for air conditioning operations whether performed in house or performed by a sublet supplier.



### **Section 9.9 – CL113 (F/H) – Notification of Direct Rental Form**

- We've added wording to explain how the submission of a CL113H moves the responsibility of rental vehicle booking to ICBC and a bullet regarding direct rental bookings for customers in areas with no preferred rental supplier.

### **Section 9.17 – Participant Requirements and Customer ATS Entitlements**

- We've changed "ICBC business day" to "Business Day" to align with the wording and definition used throughout the rest of the guide.

### **Section 10 Advertising**

- ICBC logo options have been simplified to three options. Program participants may now choose to use the preferred colour logo in addition to a reversed white or black logo. If you're using your own facility logos along with ICBC logos, the background colours other than white should align to your brand colours, and can not be confusingly similar to ICBC Blue or ICBC Purple

