

April 1, 2025

Hello Collision Repair Program Participants,

As we near the end of the current Collision Repair Program year, I'm writing to highlight some of the more significant updates we're making to the Collision Repair Program Guide ("Program Guide") for the 2025/26 program year and to invite you to a webinar to discuss the updates in more detail.

The changes to the Program Guide will be effective on May 1, 2025. The most significant

updates can be found below:

Special Compensation Fund (SCF) Updates

ICBC maintains the SCF to ensure money is available to cover warranty claims for a facility who is no longer in business. There has been an increased pressure on the SCF, and the balance is nearly exhausted. In 2024, ICBC made a one-time, \$150,000 contribution to cover warranties for the 2024/25 program year.

We will require a \$300 contribution to the SCF from each facility for the 2025/26 program year,

and, moving forward, will collect \$300 annually.

The updated Program Guide also outlines a new requirement for purchasers of program facilities to provide written confirmation that they will cover all warranty issues that arise from the previous ownership. In these cases, no initial contribution to the SCF is required.

We are evaluating the SCF and considering potential changes in the future.

**Tiering and Development Rate** 

Currently, facilities in the Assessment Tier that fail to meet the Tier 2 Minimum Threshold after 12 months are removed from the program at ICBC's discretion.

Moving forward, rather than program removal, facilities in the Assessment Tier that fail to meet the Tier 2 Minimum Threshold will receive the Development Rate for the following 12 months. The Development Rate is 5% less than the applicable CRP rates. After 12 months at the Development Rate, facilities still not meeting the Tier 2 Minimum Threshold will be removed from the program.

## **Estimates and Supplements and relevant approvals**

We're receiving a high volume of estimate submissions where facilities are requesting "requires review" when it's not required, contributing to processing delays for everyone.

Participants are required to have justification for requesting an ICBC review of an estimate as outlined in the Program Guide. Participants must request ICBC review of an estimate in the following circumstances:

- · Hit and run claims
- Potential total loss
- Betterment
- Allowances
- Cash settlements
- · Back-ordered parts, or
- Questionable damage

Excessive, unnecessary estimate submissions with "requires review" may now result in performance consequences.

Multiple Claims are no longer required to be flagged as "requires review"; for more information, refer to the Program Guide.

We've also updated language related to estimate approvals. As per the updated Program Guide, operations or labour hours that are unnecessary or unrelated to the safe, proper repair of the claim related vehicle damage may be removed and corrected at any time.

When an estimate or supplement is 'automatically approved' through Mitchell, the estimate or

supplement remains subject to further review and modification at any time by ICBC. When a Participant flags the estimate with "Requires Review" for a specific purpose and an estimate or supplement is 'manually approved', items outside of the specific review requested may be modified at a later date.

## **Alternative Transportation Service (ATS) and Loss of Use (LOU)**

We've made a number of updates to the ATS and LOU sections including:

- A restructured and easier-to-follow workflow format.
- We've updated section 9 to only include details on ATS provided by a facility.
   Information on rentals, and rental-related activities are now in a new, separate section, Loss of Use and Rental.

We've also made the following updates based on feedback from industry:

- Merged and simplified Grace Days calendars into one chart. Previously, there were non-drive claim scenarios when one and two Grace Days applied. Moving forward, three Grace Days are standard for all non-drive claims giving Participants additional time to prepare an initial estimate.
- Removed Wait Time Delay procedure. Excessive wait times are no longer applicable, and we've removed the requirement to submit a Non-Drive Volume Delay Notification to advise when non-drives cannot be accepted. ICBC will continue to manage tow and repair start dates individually with facilities on a per-claim basis.
- Simplified the Direct Rental Referral (DRR) requirements. For non-drive claims, you're
  no longer required to submit the DRR when a customer is already in a rental, however,
  you must still submit the estimate within 48 hours of the ATS Responsibility Date.

## Further, more minor updates to Collision Repair Program Guide

We've also made additional, less significant, updates to other sections of the Collision Repair Program Guide. We encourage you to review the list of changes on the <u>Business Partners</u> page.

All updates are effective May 1, 2025.

Questions? Join us for a webinar.

We're hosting two webinars to discuss updates to the Program Guide and to answer your

questions. While participation is voluntary, we encourage you to register and attend one of the

sessions.

You can register by clicking on one of the links below. You'll receive an email confirmation and

calendar invite upon registration.

April 17, 2025 - 9:00AM - 10:00AM

May 1, 2025 – 11:00AM – 12:00PM

A recording of the webinar will be archived on the **Business Partners** site for your reference.

As usual, your Account Services representative is also available to discuss updates to the

Program Guide or answer any questions you may have.

Sincerely,

Shane Loiselle

Manager, MD Programs Services

4