

ARM (MPI)

ARM (MPI) 1-1 to 1-29

1-1

Please provide annual totals of the Corporation's payment for recycled parts for claims over the last 12 years together with breakdown of spending on total parts (new, recycled, after market) for these same years, and indicate the percentage that the recycled parts comprise vs. the total parts cost.

1-2

Please explain the Corporation's basis of payment to repairers for parts, addressing the amount of the repairer's mark up of the parts.

1-3

Is there a monetary gain for a repairer to reject recycled parts and instead then use new parts?

1-4

What steps or mechanisms does the Corporation use to ensure that the repair shops use recycled parts that are available?

1-5

Does MPI use all recycled parts available from recyclers' inventories? Or are there more parts or more types of parts quoted or available to quote than the amount purchased?

1-6

Please indicate whether the procedures, or the staffing, have changed in the last two (2) years for monitoring the use of recycled parts referred to in ARM 1-4 above.

1-7

Please describe the RCO (now RPP) office and its functions.

1-8

What is the current costs of running the RPP office? What is included in these costs?

1-9

What is the current costs of running the “E” Glass Program? What is included in these costs?

1-10

What is the annual pay out on glass claims for the last 10 years, by year?

1-11

Since MPI took over the RCO (now RPP) there has been an increase in participants, what is the increase in parts quoted and supplied attributable to these new participants annually?

1-12

Are all recycled parts applied to claims supplied by RPP participants? If not, are the parts and the vendors held the same criteria as the RPP participants?

1-13

How is “parts only” salvage disposed of? What are the applicable restrictions?

1-14

What percentage goes to RPP participants to be properly processed?

1-15

What criteria is followed to determine salvage classification?

1-16

Who performs the above evaluation/designation?

1-17

What procedures and standards do you have in place to ensure parts only salvage will be responsibly and competently dismantled and then property recycled or otherwise safely disposed of?

1-18

What is in place to ensure that the danger and risk that is inherent in parts only salvage will be appropriately dealt with from an environmental and health risk perspective if sold to a non-RPP participant?

1-19

Please provide more details on the initiatives and changes involved in the PD Re-Engineering Program? Is there a source or background document the Corporation can provide?

1-20

What safeguards will be instituted to check that estimating by body shops in the new distributed estimating initiative will be as cost effective to the Corporations as the current system and ensure costs are controlled? Please show the breakdown of the expected savings.

1-21

What is the Corporation specifically planning to change in its “streamlining of parts sourcing”?

1-22

Please explain in detail how the Corporation plans to use “predictive analytics” in connection with parts sourcing and provide examples.

1-23

Please describe what toxic contaminants and substance are produced as a result of an automobile total loss and what effects these substances have in the environment and the health and safety of Manitobans who come into contact with same.

1-24

Physical change costs approached 495.5 million dollars over the last year as set out in AI.10. What does the Corporation plans to do to ensure this amount is controlled in the forthcoming year?

1-25

Does part of the cost control involve greater use of recycled parts in the coming years?

1-26

Please confirm that the Corporation did previously maintain a “Recycled Parts First Policy” or a similar named policy or theme. Has the policy changed?

1-27

Please confirm that the Corporation has changed as of July 7, 2014 to not purchase recycled glass. Please also describe the Corporation’s justification in making the change.

1-28

Please advise whether the Corporation agrees that the “E-glass” computer program was deficient in being able to locate glass in the recycler’s inventories. Please comment on whether this computer program deficiency resulted in the loss of purchasing for recycled glass and the consequent decision not to buy recycled glass.

1-29

Why did the Corporation decide to take over the RCO?

RESPONSE:

Basic insurance rates are set prospectively based on pro forma financial projections of expenses and revenues and actuarial modeling. This information request has no bearing on the reasonableness of the financial projections or actuarial modeling used to determine rates effective March 1, 2015. This is consistent with the Corporation’s understanding of the PUB’s mandate as stated in *The Crown Corporations Public Review and Accountability Act* and by the Court of Appeal. Considerable information of an operational nature was provided [in the filing](#), though rate setting does not entail an operational review or audit of Manitoba Public Insurance. For these reasons,

the Corporation declines to incur the additional staff effort and operating expenses associated with responding to this information request.