

May 27, 2025

Hello Collision Repair Program Participant,

I'm writing to let you know we've recently completed our tiering assessment of Collision Repair Program Participants (Participants) based on their performance during the past measurement period. Starting later this week, we'll be sending letters notifying you of the tier you'll be placed in for the coming measurement period (May 1, 2025 - April 30, 2026).

I also want to share an important update to the Tier 2 Minimum Threshold.

## Updates to minimum thresholds for current measurement period

As you know, Participants are recognized regionally as Tier 1, Tier 2 or Assessment Tier, based on their eligibility and regional Key Performance Indicators (KPI) performance at the conclusion of the measurement period.

Effective for the coming measurement period, and until further notice, facilities must achieve 55% or above the regional average index score to meet the Tier 2 minimum threshold. For example, if the region's average score is 622, the minimum threshold score for Tier 2 will be 342. Participants will first see this change reflected on their May scorecard.

When we initially started the program, facilities needed to be within 35% (or achieve 65%) of the regional average to make the threshold. In 2022, we updated the threshold to 50% to give facilities time to understand the new collision repair program and KPIs. Now that facilities have had ample time to learn the Program expectations, we are looking to increase the threshold to be closer to the regional average.

In looking at the scorecards overall, the vast majority of facilities already meet or exceed the new threshold. This update was made with careful consideration for program factors such as regional supplier capacity, supplier measurement data, scorecard delivery and performance standards.

## **Tiering and Development Rate**

I also wanted to remind you we've made updates to the transition out of the Assessment Tier and removal from the Collision Repair Program (Program). Previously, facilities in the Assessment Tier that failed to meet the Tier 2 Minimum Threshold after 12 months were removed from the Program at ICBC's discretion.

Moving forward, rather than Program removal, facilities who have already been in the Assessment Tier for 12 months will remain in the Assessment Tier and receive the Development Rate for the following 12 months.

After 24 months in the Assessment Tier, facilities still not meeting the Tier 2 Minimum Threshold will be removed from the Program. Please refer to the <u>business partners page</u> for current rates, including the Development Rate.

## Questions? We're here to help

Please reach out to your MD Account Services representative if you have any questions or inquiries.

Thank you for everything you've done to help support our mutual customers. We're looking forward to working with you in the upcoming program year.

Regards,

Shane Loiselle

Manager, MD Program Services