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Unfair Claims Practices, Estimating Database Abuse Top List at Issues Forum

At the annual National Industry Issues Forum (NIIF), hosted by the Society of Collision Repair Specialists (SCRS), in Portland, Oregon, concerns relating to what are viewed as unfair claims practices, as well as the transparency and misuse of the estimating databases, topped the list of issues foremost on the minds of collision repairers.

"The meeting is designed to allow collision repairers, association leaders and other SCRS members to have a forum to openly discuss their concerns," said SCRS Director at Large Barry Dorn, who co-moderated the NIIF discussion. "The goal is to identify which issues are the most pressing to our members. Then the SCRS Board can discuss them at length and strategize as to how we may be able to move forward in addressing them."

Attendees compiled a list of approximately 20 key issues and concerns, ranging from insurers and parts purchasing programs to the lack of understanding/agreement about specific repair procedures, such as denib/polish.

"After listing all the issues, we compiled them into five broader topics that seemed to incorporate most of those raised," said co-moderator and SCRS Secretary Stacy Bartnik.

Of the five categories, the majority of the NIIF participants viewed steering of work and other similar insurance company claims handling practices as the most pressing. As an example, repairers raised serious concerns regarding insurer programs that eliminate contact between the shop and vehicle owner, therefore removing a critical link between the customer and repairer.

The second-ranked category was related to the estimating databases. Participants said they would like the database providers to make available more information about how they derive their labor times and disclosure when significant changes are made. The "manipulation" or "selective use of the p-pages" of the databases by insurers, independent appraisers and third-party administrators was also discussed.

Another category included the need for ongoing education amongst the various segments in the industry. "As the substrates and the respective repair/replace procedures on today's vehicles continue to evolve, it is imperative that all industry

segments receive ongoing training to ensure safe and proper repairs are completed," said Bartnik.

Several attendees cited the inconsistency between the business practices of insurer field staff, contracted independent appraisers and the message that is communicated by a carrier's upper management. This inconsistency creates friction and confusion that ultimately has a negative impact on the vehicle owner. Participants also said there are instances where the lack of training or experience amongst field staff causes delays in the repair process, specifically as it relates to whether or not a given repair or replace procedure is necessary.

Parts-related issues also were among the top five categories. These included concerns about insurer parts procurement programs and the quality and availability of non-OEM parts.

The fifth category of concern centered on the challenge shops are facing with the rising costs of equipment, energy, tools and training.

"We very much appreciate the shop owners and SCRS members who came to Portland to participate in the National Industry Issues Forum," said SCRS Chairman Tom Moreland. Moreland continued, "This annual event helps ensure we get input from around the country and stay on top of the issues most concerning to collision repairers. We will take the information from this meeting to our board and determine how we can, often working with other organizations, make some progress on these issues."