

PIRC Recap [3-30-2017, Boston, Massachusetts]

Welcome to the meeting!

The body reviewed and adopted the new Anti-Trust Disclaimer, now available on the website. Starting with reviewing the culmination as to why PIRC was formed, Jordan Hendler, the PIRC Co-Organizer, went over the history of working with the Collision Industry Conference and how the organizers were pulled to the restoration industry to create a similarly focused conference:

The Collision Industry Conference, a parallel entity to the PIRC, was started with the same intentions of working on transparency and solutions for industry issues in automotive collision repair. Established more than 35 years ago, the evolution of that forum is the blueprint for beginning the building of the PIRC into what the restoration industry needs. Having 10-12 standing committees on various subjects, they present information or ideas for solutions to the body representing all segments of the industry. Some issues warrant a “best practices” document, while some are for informational purposes of revealing upcoming changes that affect the industry. Oftentimes, the presentations are a “deep dive” into those things affecting the repair processes. Using this historical - and parallel - information to build from and springboard forward, the restoration industry would now have a place where issues can be presented for discussion.

For this being only the second meeting, emphasis was that PIRC can bypass some of the bumps in the road that CIC experienced, as well as be formed into what the body desires. The meeting Agenda was put together by the PIRC Agenda Committee, recently grown to more than 20 members. One participant candidly outlined that there is not a current opportunity for the inter-industry to put all the issues into the “center of the room” and how to address them in a way that doesn’t undermine competitiveness of segments and working together efficiently. The distinction of this special type of meeting in all marketing efforts should be made.

Identified as a variety of segments represented, attendees then went through the Vision and Mission Statements from the website. The long-term vision of the conference is to create an organic change for the industry through the top-level participants. Another insurer participant outlined that, for them, there needs to be a venue where all industry segments can come together to address “pain points” and inefficient process time, and where costs can be reduced through working together; we need to educate the industry that this is the place to do that for the benefit of the customer. Companies can announce changes to policies, or get industry feedback on a potential change, which can make the conference cutting edge for the participants.

Finding “Best Practices” or Work Products

Opportunity to do collaborative documents, such as “best practices” was reviewed. The group did like the “Best Practices Guidelines for Digital Imaging” as a corresponding possible place to start work on a standing industry issue, finding agreement on how to take pictures of property, damage, contents, etc.

Adopting these practices across companies has the potential to help in reducing some of the inefficiencies felt in the processes currently. The link to view the work products reviewed from CIC can be found at: <http://www.ciclink.com/work-products/> The group saw many correlations to restoration industry possibilities.

Also correlating would be definitions standardization for the terminology, KPIs, operations and processes used in the industry. Finding clarity and gaining one version for processes among the participants, so that program documents can be more uniform for the end users and reduce costs and time wasted. Contractors, small- to large-sized, now could participate as equals in a forum to affect change.

Technology

A video was shown, that outlines the advancements of technology the auto industry face. The participants understood this to be a relative equal to “smart home” technologies the industry faces; where the home itself can respond to the emergency and will notify the emergency personnel, the insurance company, restoration specialists, and more. It can be viewed here:

<https://www.youtube.com/watch?v=MWqYWDdRvu4>

Hendler reviewed current news that offered insight into the advancements mentioned in the agenda. Virtual reality, drones, and other claims handling technology brings forward opportunity that PIRC can address the best methods or practices related to their use, but at minimum look at their usage and discuss the pros and cons. Here are the two articles covered in that segment:

- [Virtual Reality and Insurance: A Match Made in Heaven](#)
- [U.S. drone registrations reach 770,000 with no end in sight, says FAA administrator](#)

The Drone technology discussion also led to questions about privacy, both for that home or business owner as well as those around them in neighboring structures. Determinations of appropriate usage of particular technologies, or finding what human or safety factors should be considered, is possible discussion. A participant suggested that consideration be placed on when technologies should or should not be utilized, and unintended consequences surrounding their implementation.

Side note: In the future, when issues come up, they can be shared multiple ways: end of a committee presentation, at the open microphone session, a note to the moderator, email to the administrator, etc. This way, anyone seeking to share, or even with anonymity, can utilize multiple channels to bring things forward.

Carfax for the Car Industry: Hendler shared that the auto industry consumers struggle at the time of trade-in if their vehicle information is shared that harms the value with repair alerts, and can even be untrue. Sometimes, that information was shared by a piece of equipment within the repair shop, and not directly by the repairer. She opined that this type of information sharing could affect the home restoration industry, especially at the advancement of technology. There are third-party purveyors of information that could scour for this type of data to do a “homefax” type of application.

Out of the collision side, multiple organizations were formed through the works that continued on. An example of this is the Collision Industry Electronic Commerce Association (CIECA) which works on the standards of data usage and data transfer or sharing for the collision estimating systems. One participant voiced desire to see an entity address using one estimate instead of multiple, so that there is global sharing – with restriction – to reduce inefficiencies, helps with staging materials, and goes throughout multiple contractors, insurers, and vendors on one job. Another opined that there is no good way currently for contractors reaching out to the other vendors on the job, i.e. mitigation, restorer, for things such as sketching (schematic of the loss), images, data, and the capacity to share those things between each other.

The body felt that, while it was too early to look at “best practices” documents, they agreed that they could address the formation a committee after looking at topics brought forth in the next or other future meeting. They would like to bring in the “what’s happening” or good-to-know type of presentations, so that forthcoming technologies could be previewed to the industry segments.

Consumer / Public

The Agenda committee had proposed doing in-person video interviews with the consumers, asking them what their expectations were before the restoration process, how they felt about the process and what did they think afterwards. PIRC could interview people and show the videos to the body, to spur discussion about the image of the industry to the general public. The following article was included in this talk:

- [15 surprising consumer actions & beliefs related to homeowners' insurance PropertyCasualty360](#)
While reviewing this, there are several figures that the group commented on relating to seeing those broken down by state.

The group discussed that the industry has “survey fatigue” to the customers, because they are asked by all those involved to fill out online surveys. Even follow-up phone calls or mailings are done. The surveys performed seem to have some disconnection to getting the real story from the customer. Currently, there is not a third-party getting a true “man/woman on the street” interview, so having a dozen or so of those to watch could reveal some opportunities for the industry to do better. Outlining a plan, the suggestion was to include multiple types of loss by both residences and businesses.

Participants, after much discussion, agreed that there could be an initial effort to get these videos with as much ambivalence and lack of leading as possible. To achieve what the body wants, then suggestion was given to make it totally third-party if possible. Making sure to vary the video interviewees by demographics, the videos could cover and capture more useful information.

As service providers or carriers, there is genuine interest in the information to be gained by interviewing the customers. They will be the ones not represented by the segments in the room, yet impacted by the determinations of the body. Preferred method of communication and expectations are two things that need to be integrated in the processes.

Finding New People

Looking for current gaps, the body discussed the difficulty of attracting and training new hires for the industry. There is a possible opportunity to identify role-specific functions and technical skills, with a lacking of training for other necessary skills needed in the industry.

Legislative / Regulatory

Guest presenter, and attendee to the meeting, Cole Stanton from Fiberlock and also the Chair of the Government Affairs Committee for IAQA, gave an overarching view of the way their committee works on legislative activities across the US. Covering all states by volunteer efforts alone, he outlined how they coordinate responses - using a consensus process - to issues that arise through legislation or proposed regulations.

Stanton also addressed the recent administration changes that are forthcoming, such as Scott Pruitt nominated-appointed to the EPA, and how there are multiple standing legislative committees that could affect the restoration industry. Two examples of information presented were:

TSCA (Toxic Substances Control Act)

“Trump’s selection of Pruitt to head the EPA came eight days after the agency named asbestos as one of 10 high-risk chemicals to be evaluated under the Lautenberg Act. “

- Toxic Substances Control Act (TSCA) of 1976.
- Chemical presents an unreasonable risk?
- EPA must mitigate the risk (2 years)

What to watch?

- Findings deadline: May 17
- Tepid recommendations? Staff Replacements?

Business Interference examples:

- OSHA confined space
- VOC
- Legislatively mandated work practice standards
 - IICRC
 - 500, 520, 540
 - RIA/IAQA/ASHRAE
 - FIRE FS #s 1-6
- Vertical constraints: Asbestos, RRP

In the News / What’s Coming

As a continuation of previous discussions, Hendler showed blog post about Lemonade Insurance, an insurance company determined to break from the mold on claims handling. In addition to that, they are utilizing an Artificial Intelligence app “AI Jim” to handle claims quicker and without the use of human resource. This is a company that the forum should watch, as well as study their practices for potential claims-handling process changes for the industry. Here are the two references:

- Blog Post: <https://www.lemonade.com/blog/secret-behind-lemonades-instant-insurance/>

- “Al Jim” <https://www.youtube.com/watch?v=E85d67d4bpM>

The forum has the opportunity to bring forward new and innovative companies or products to the body for their information, understanding, and possible response.

Next Meeting

The PIRC will survey the attendees post meeting to determine the next meeting date and location. Of those in the room, the ideal location for a Fall-timed meeting seemed to be the November PLRB Large Loss Conference in Forth Worth, Texas, so that insurers are more likely to attend.

For a Spring-timed meeting, the group offered up options such as: February with Xactware in Salt Lake City, March with RIA in Austin. Options available will be surveyed to the PIRC contacts as well.

GREAT MEETING! Looking forward to the next one!