

CIC INFORMATION TECHNOLOGY COMMITTEE

July 15, 2004

Mr. Scott Jenkins/ADP
Mr. Bruce Yungkuns/CCC
Mr. Chad Taylor/Mitchell

Dear Sirs:

Thank you for your participation in the Collision Industry Conference (CIC) IT Committee presentation detailing the issues surrounding the communication of estimate data between repair facilities and insurance companies using the same estimating platform. The panel discussion was well received and generated a lot of interest from the audience.

Following the presentation, several attendees approached committee members and requested we ask the participating estimating system providers to detail their support and implementation plans for opening communications beyond traditional referral facilities when the same estimating platform is used. In our recent conference call, it was agreed that providing you an opportunity to state your position would benefit both the industry and your company.

Specifically, the scenario the industry would like you to address at this time is:

- a. A consumer walks into a shop with a paper estimate. The shop may or may not have a referral program relationship with the insurer on the estimate. The shop wants the ability to import the estimate exactly as it was written by the insurance company, using the same estimating system the insurer used to write it. Once imported, the estimate would be “locked” or “committed” whereby no further changes would be allowed on the estimate.
- b. The shop could then import the estimate into their shop management system, just as if they had entered the estimate manually into their estimating system.
- c. If a supplement was required, the shop would follow their standard supplement procedures. The shop could write a supplement in their estimating or management system as they do today. The supplement would not be communicated electronically to the insurer, but rather via fax or phone as is commonly done today. The insurer’s copy of the estimate would be considered the estimate of record, so there would be no need to maintain synchronization between the two estimates.

Based on a survey done by our committee, it takes on average approximately 20 minutes to re-key an estimate from a paper estimate into the same estimating system. All that the industry is asking is to eliminate this 20 minutes by allowing an electronic download and import of the insurer’s estimate into the same brand of estimating system it was created on. To that end, we would ask you to address the following questions.

1. Is your company currently developing functionality that will allow repair facilities and insurers who use your products to eliminate unnecessary and costly data rekeying?
2. If yes, what is the currently planned date for launching this service? What dependencies will exist to enable this service?
3. If no, what are the technical or business barriers which are prohibiting your company from implementing this functionality?

We would like to receive your written response prior to the August CIC meeting in Chicago. We plan to give a very brief synopsis of the responses we have received at that time. At the November CIC meeting in Las Vegas, we would like you to participate in a followup panel presentation to allow you to fully explain your company's position and solution. We will also ask the major insurance companies to participate in November as well to ensure they fully support your programs and the solutions being offered.

Please provide your written response via e-mail no later than Friday, July 30th. Thank you very much in advance for your assistance and support on this important topic.

Sincerely,

CIC IT Committee

Cindy Schnier, co-chair
cindy@verifactsauto.com
ph: 630-527-9660

Fred Iantorno, co-chair
fred@cieca.com
ph: 847-498-6945

Russell Thrall III, co-chair
russ@thrall3.com
ph: 570-992-7635