



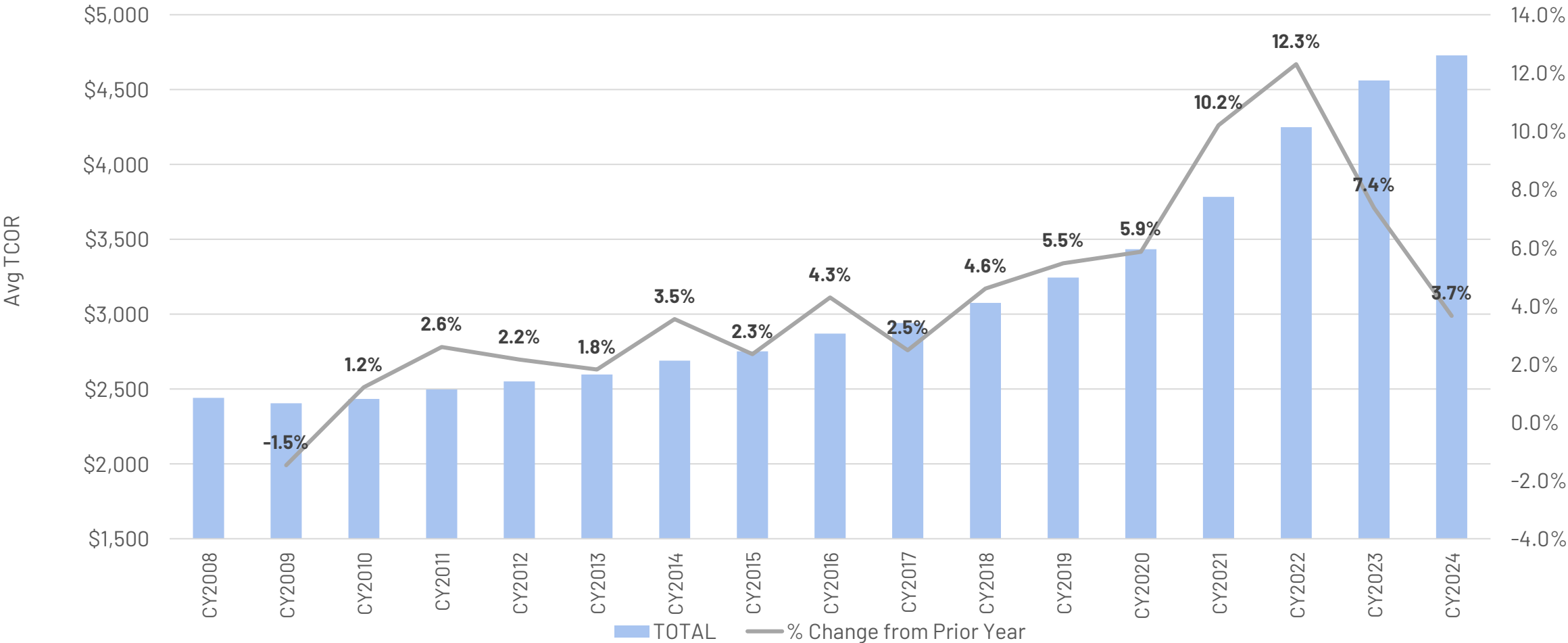
# ***Embracing Supplements as Part of Effective Auto Repair***

*May 5<sup>th</sup>, 2025*

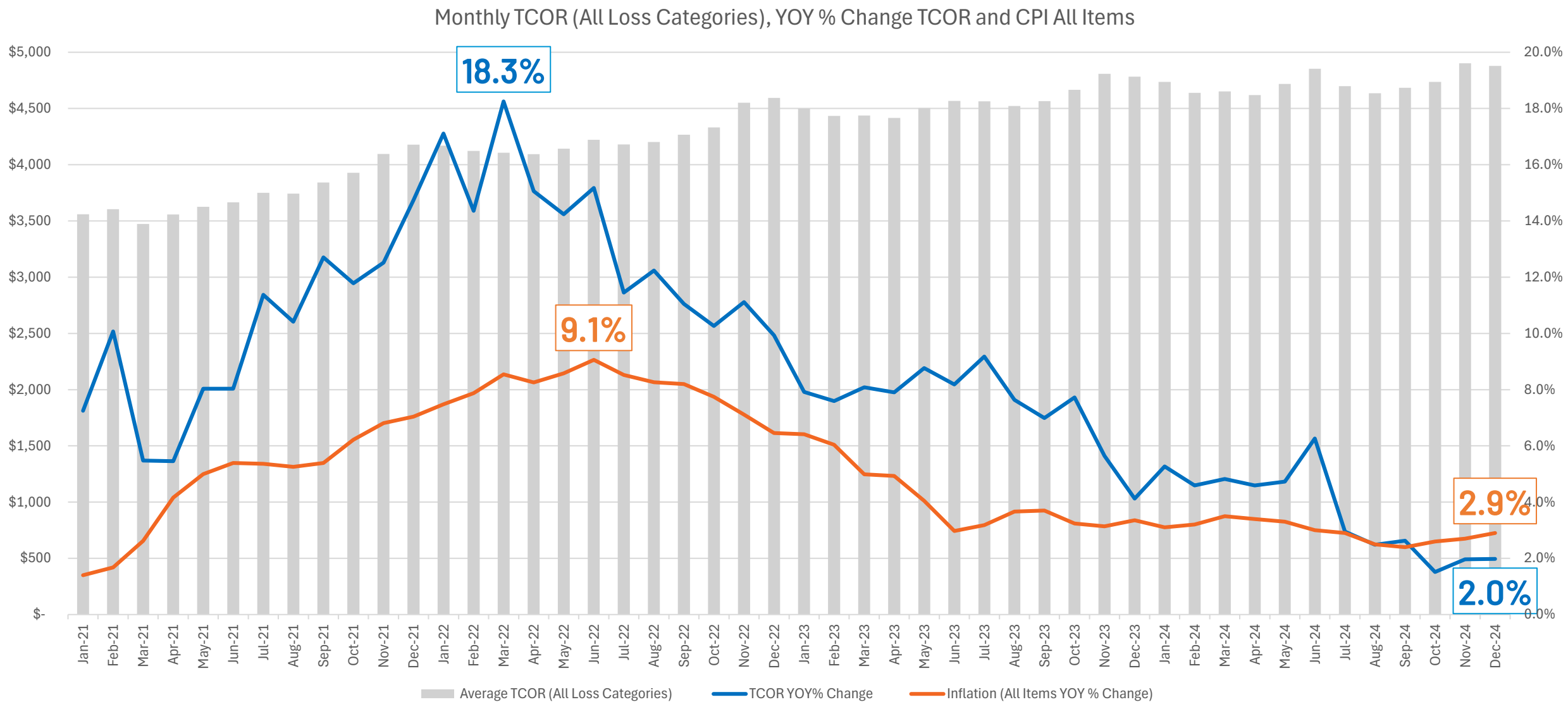
# Average Repair Costs Continue to Rise



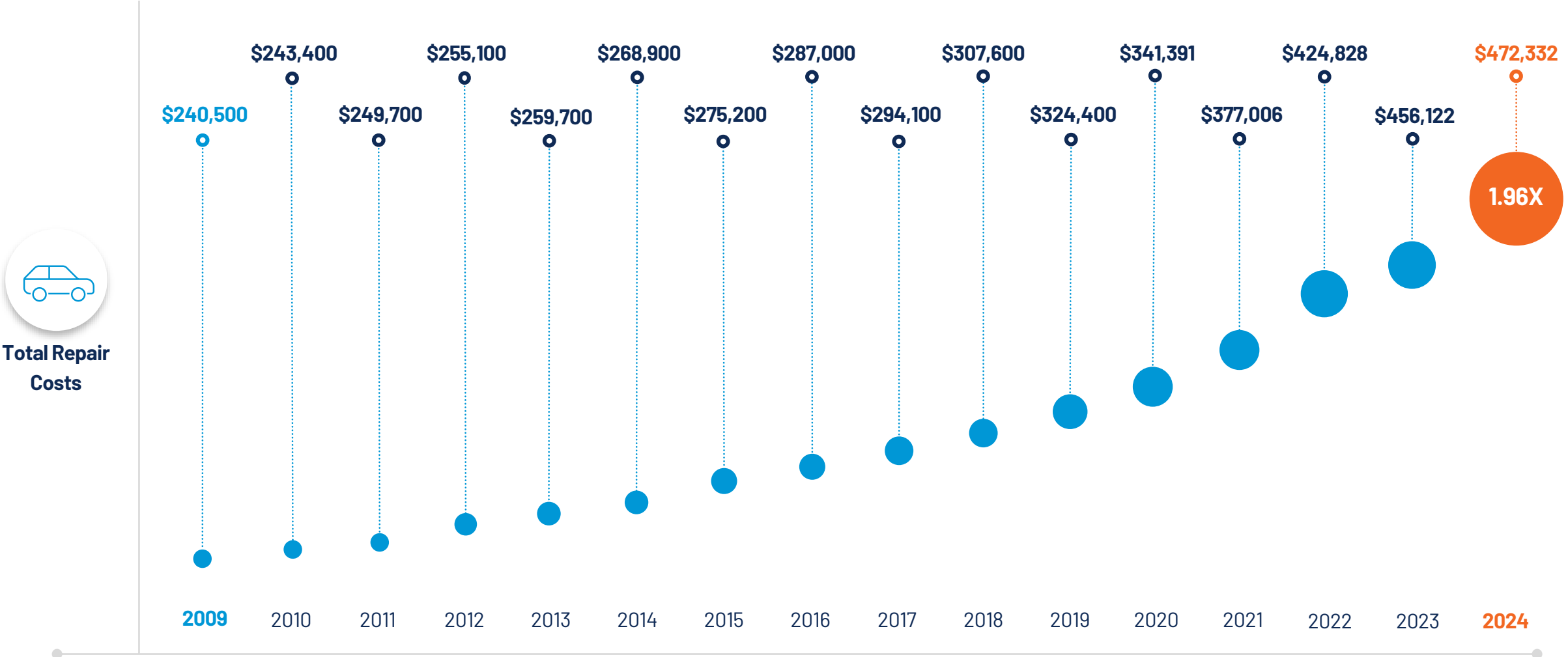
CCC National Industry, Average Total Cost of Repairs - All Loss Categories  
Repairable Appraisal Statistics



# Average Repair Costs Continue to Rise, Now More in Line with Inflation



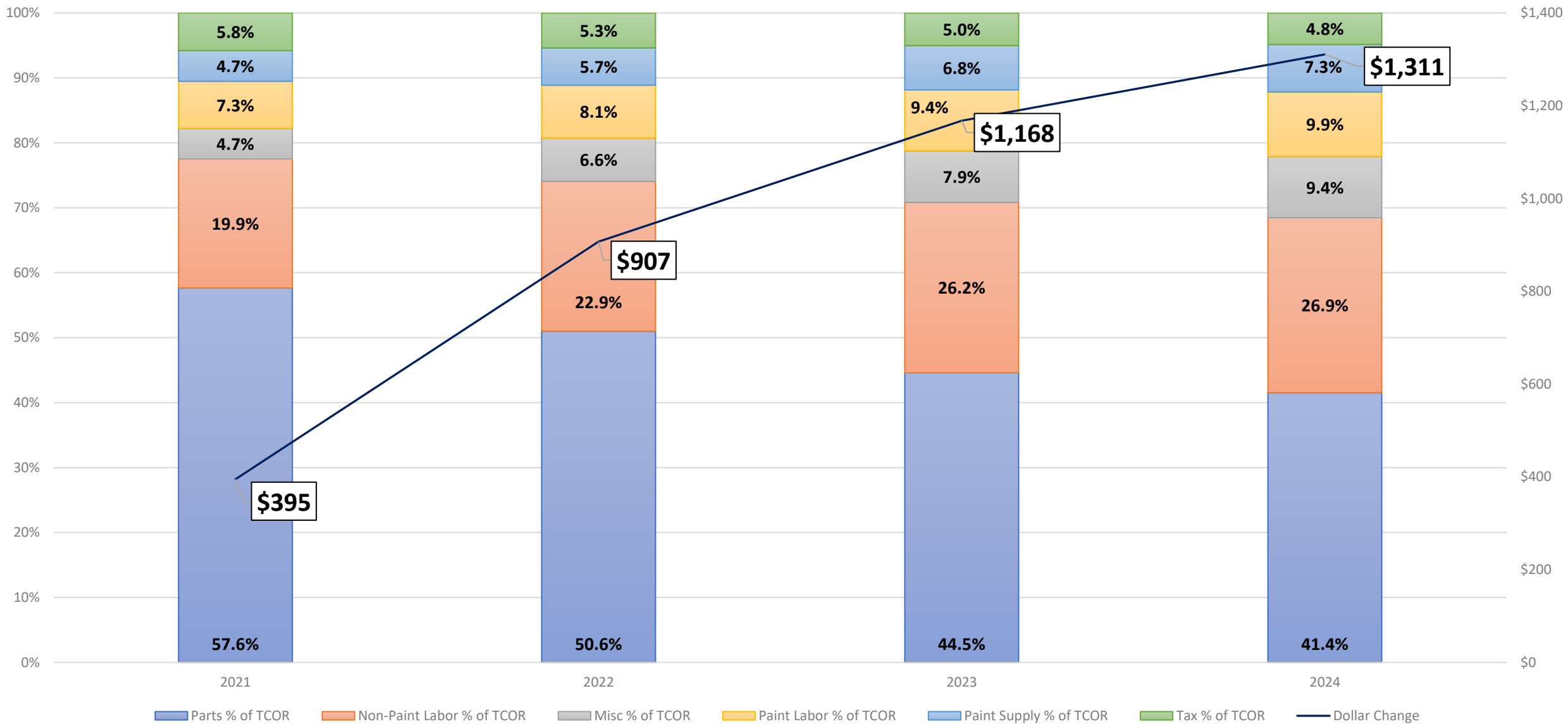
# 100 CLAIMS OVER TIME (TCOR)



# What has contributed to the TCOR increases?

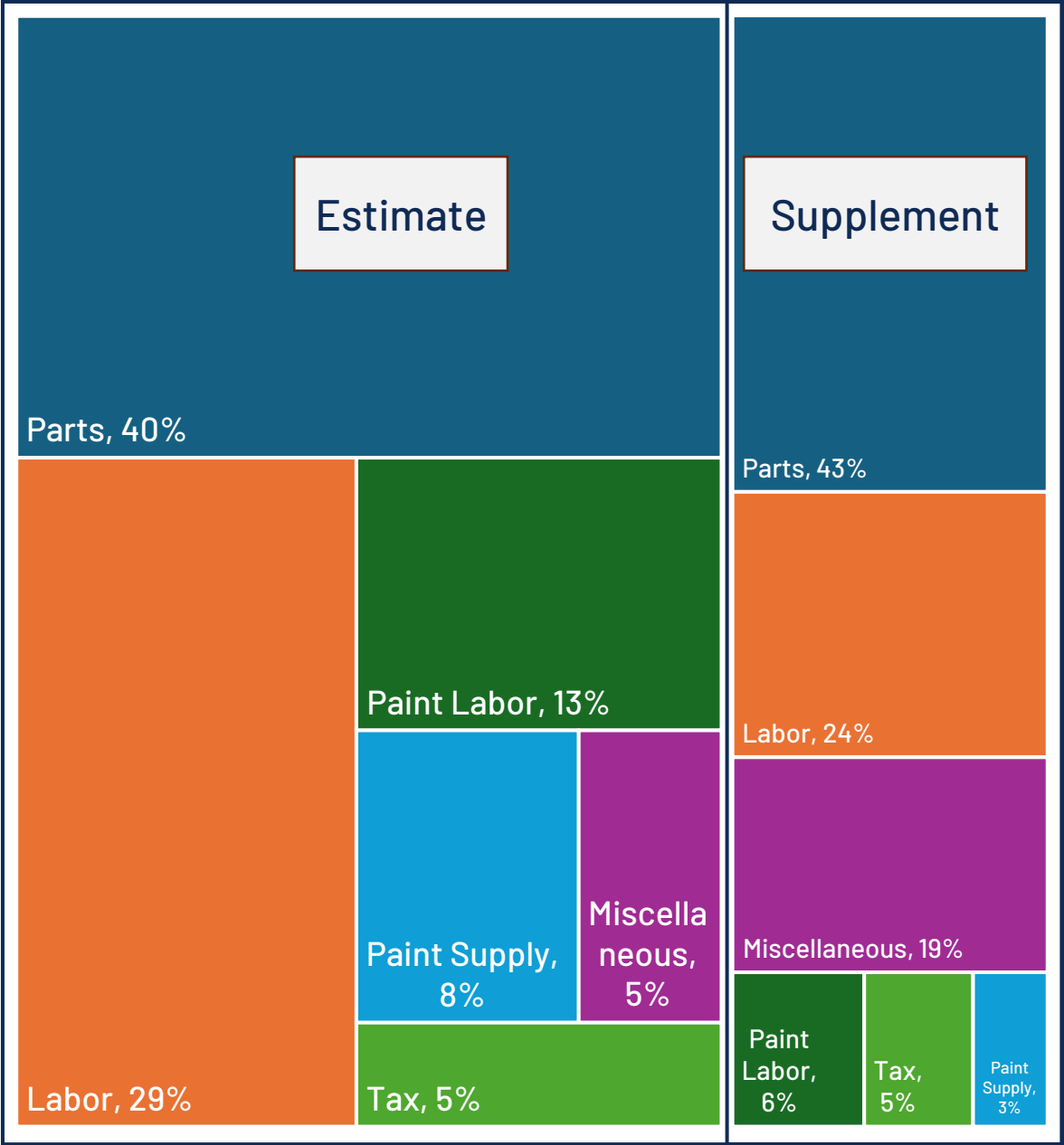
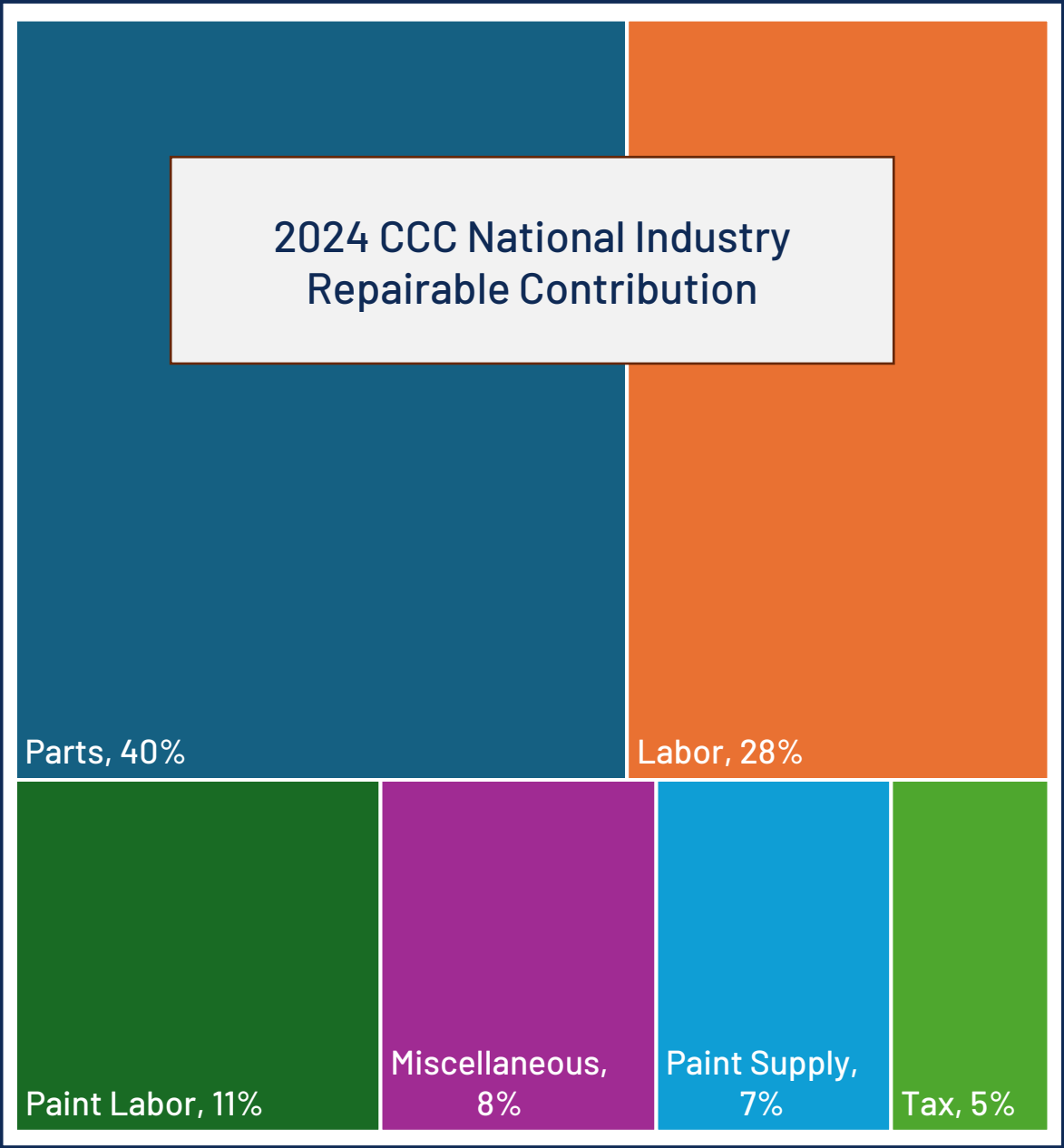


Average TCOR Change vs. 2020; Contribution by Type (Non-Comprehensive)

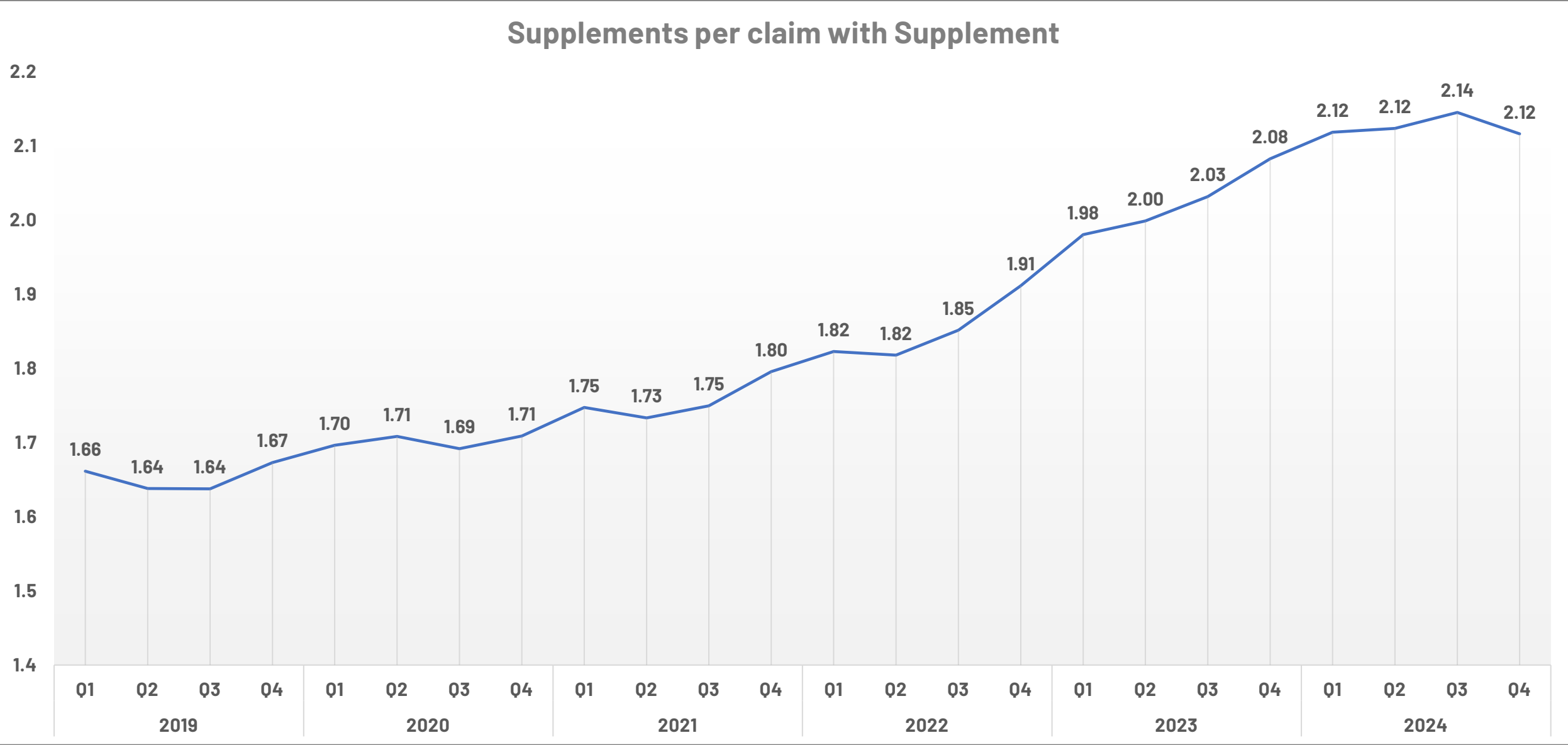


Indexed against 2020 TCOR

# Building Blocks of TCOR (2024 Contribution by Category)

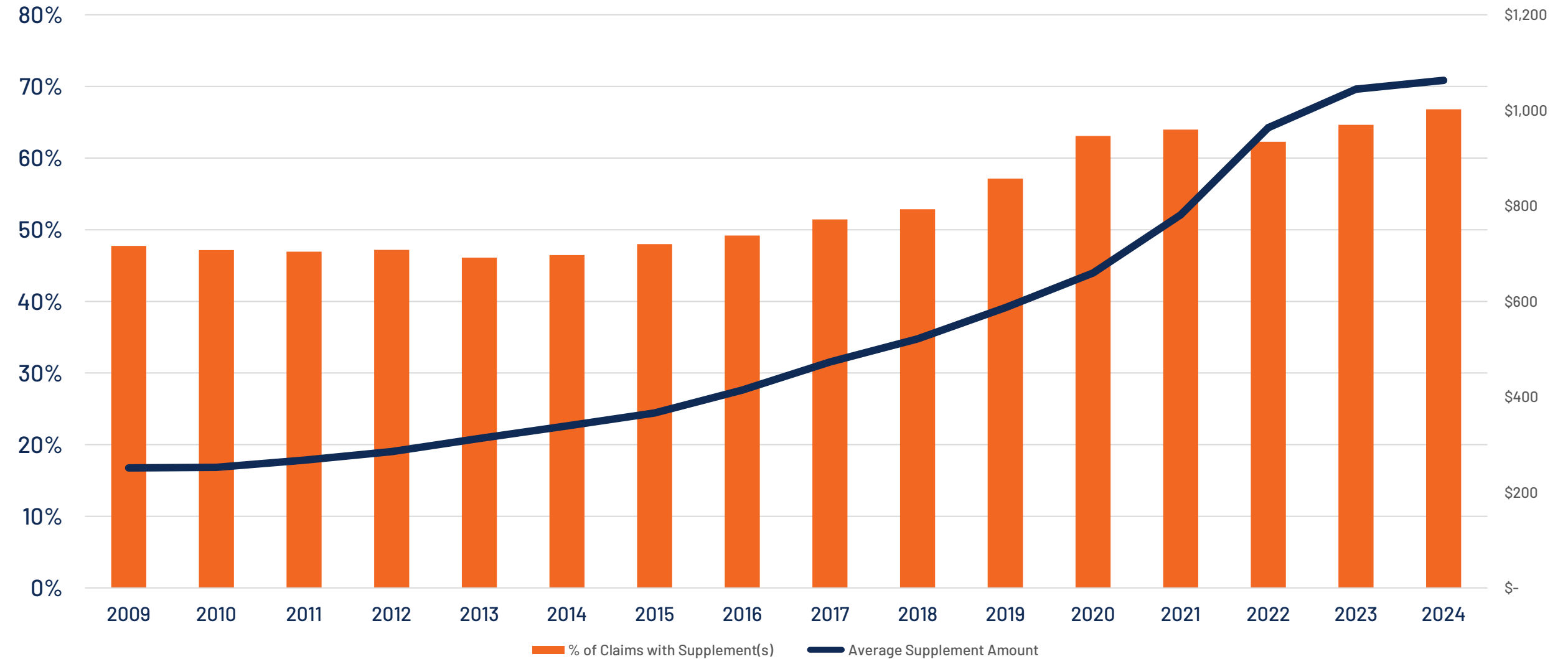


# Complexity Contributes to Increased Supplement Frequency and Amount



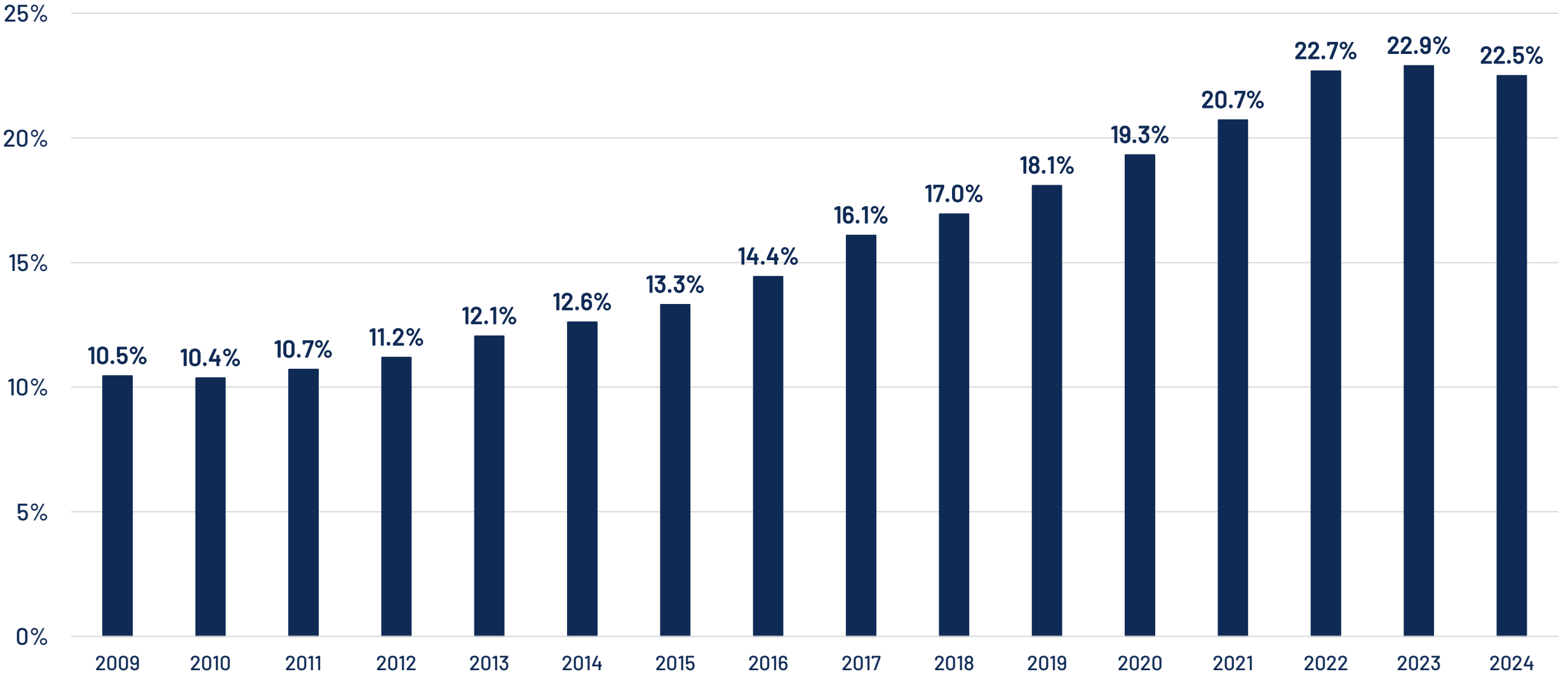


# % of Claims w/ Supplements, Average Supplement Amount





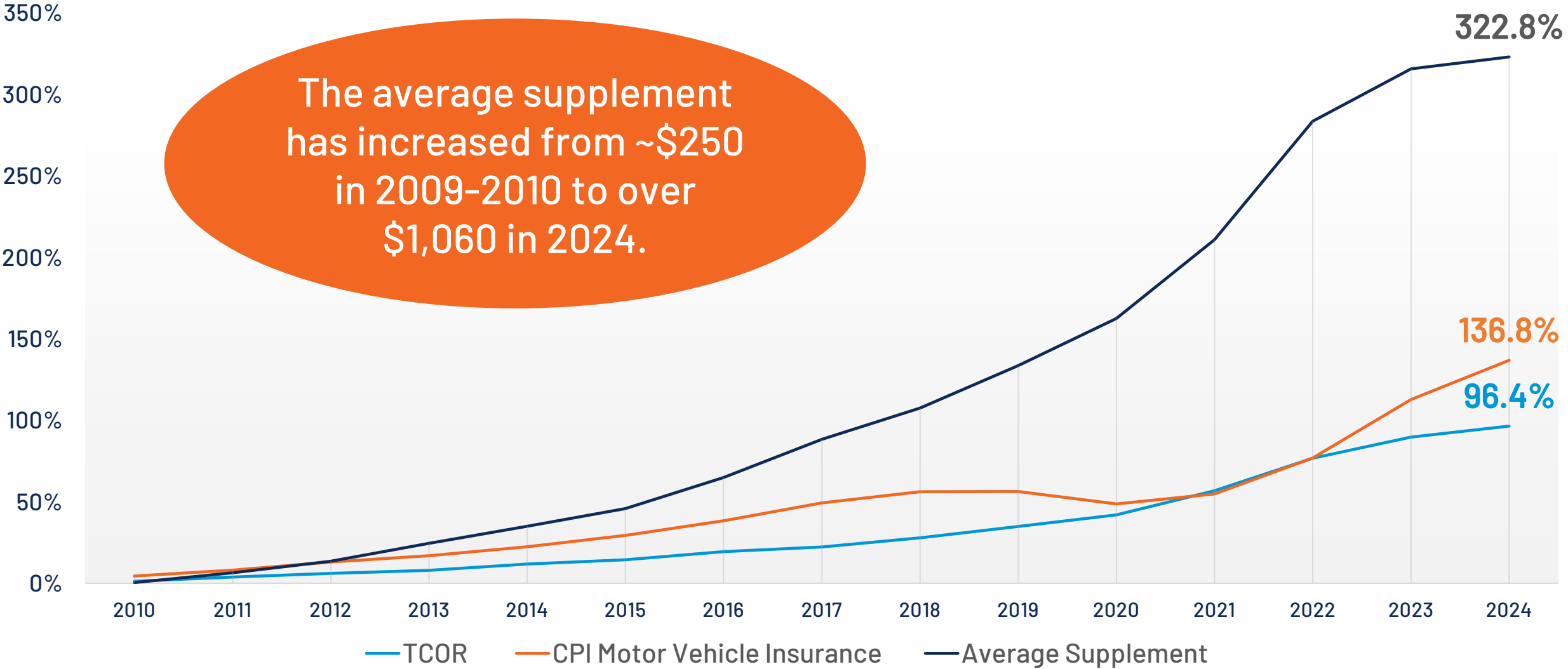
# Supplement % of Total Repair Cost



# Aggregate Increase: CPI Motor Vehicle Insurance, Average Supplement Dollars, and TCOR



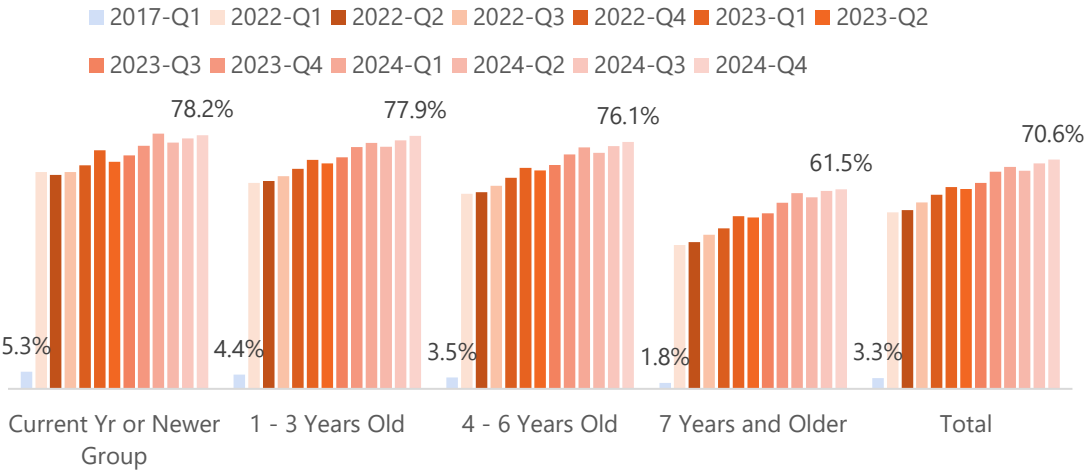
The average supplement has increased from ~\$250 in 2009-2010 to over \$1,060 in 2024.



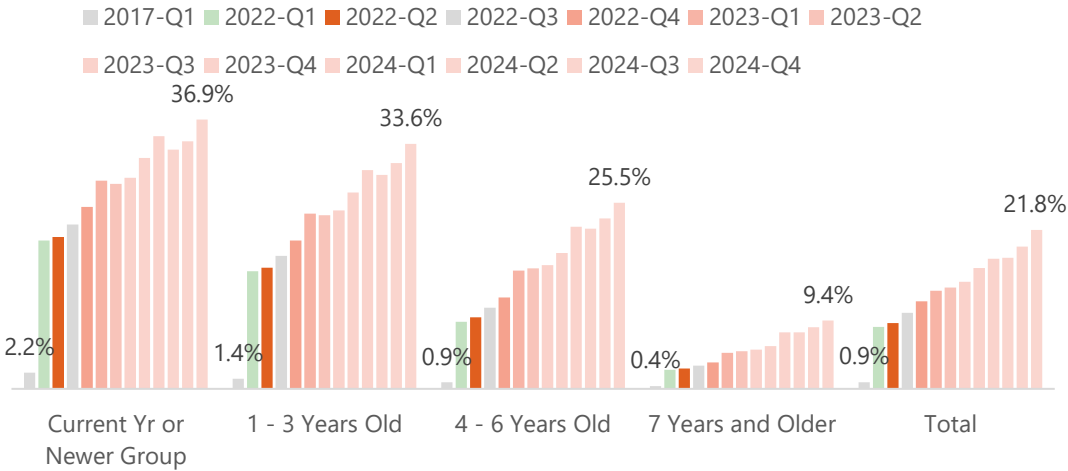
# More Vehicle Repairs Include Scan & Calibration Procedures



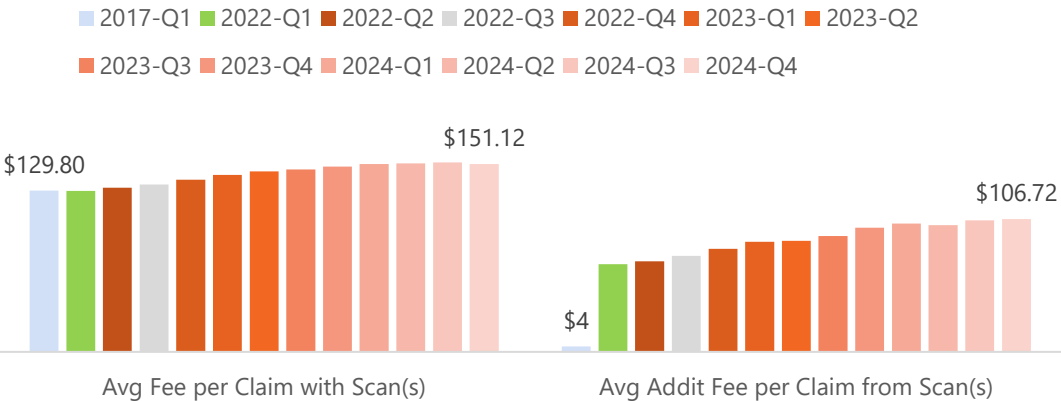
Percent of Repairable Appraisals by Vehicle Age Group with Fees for Scan/Health/Diagnose/OBD



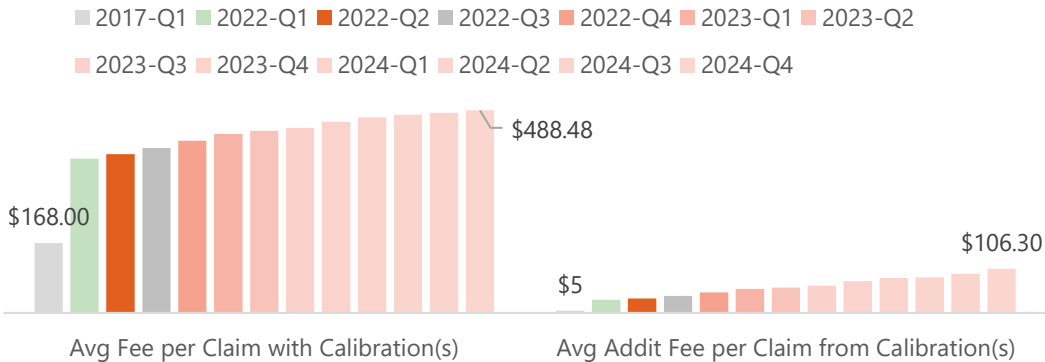
Percent of Repairable Appraisals by Vehicle Age Group with Fees for Calibrate/Reflash/Aim Camera/Distance Sensor/ADAS/Program



Average Fees for Scan/Health/Diagnose/OBD



Average Fees for Calibrate/Reflash/Aim Camera/Distance Sensor/ADAS/Program





## 70.6%

Percentage of Q4 2024 repairable appraisals that included a scan.  
(was 66.9% Q4 2023)



## 21.8%

Percentage of Q4 2024 repairable appraisals that included a calibration.  
(was 16.5% Q4 2023)



## 82.7%

Percentage of Q4 2024 scans that appeared on the E01.



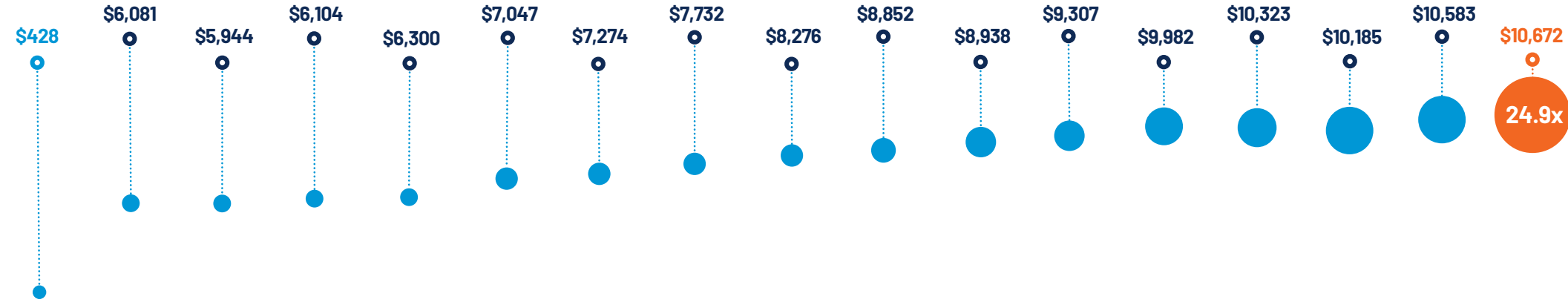
## 60.7%

DRP Percentage of Q4 2024 calibrations that appeared on a supplement. 39.3% appeared on the E01.

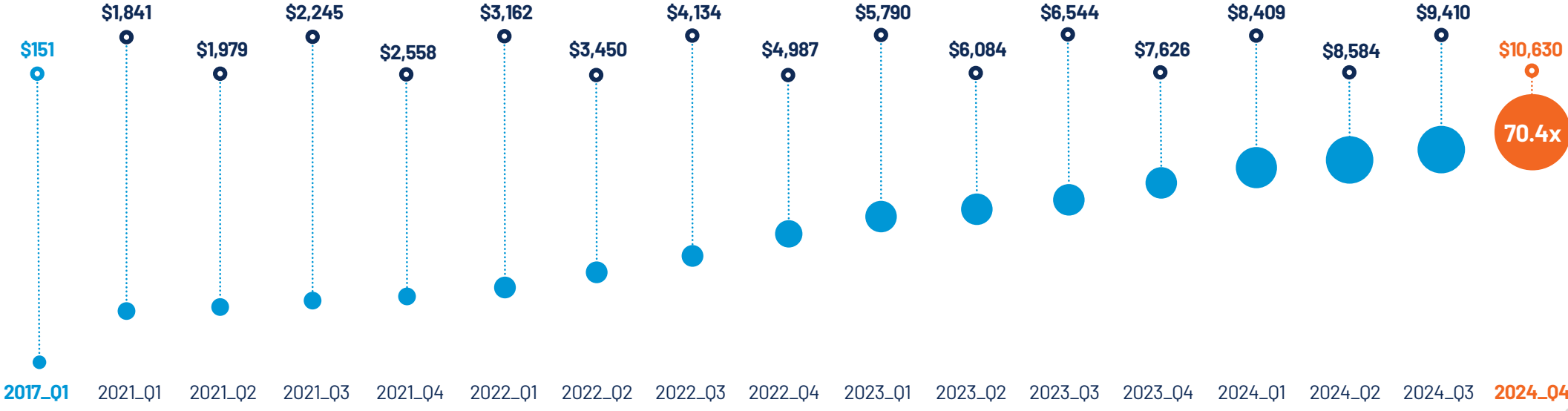
# 100 CLAIMS OVER TIME (DIAGNOSTICS)



Scans



Calibrations





## 86.5%

Percentage of Q4 2024 repairable DRP appraisals that included a scan. (was 81.8% Q4 2023)



## 30.4%

Percentage of Q4 2024 repairable DRP appraisals that included a calibration. (was 22.1 Q4 2023)



## 91.3%

DRP Percentage of Q4 2024 scans that appeared on the E01.



## 57.4%

DRP Percentage of Q4 2024 calibrations that appeared on a supplement. 43.7% appeared on the E01.

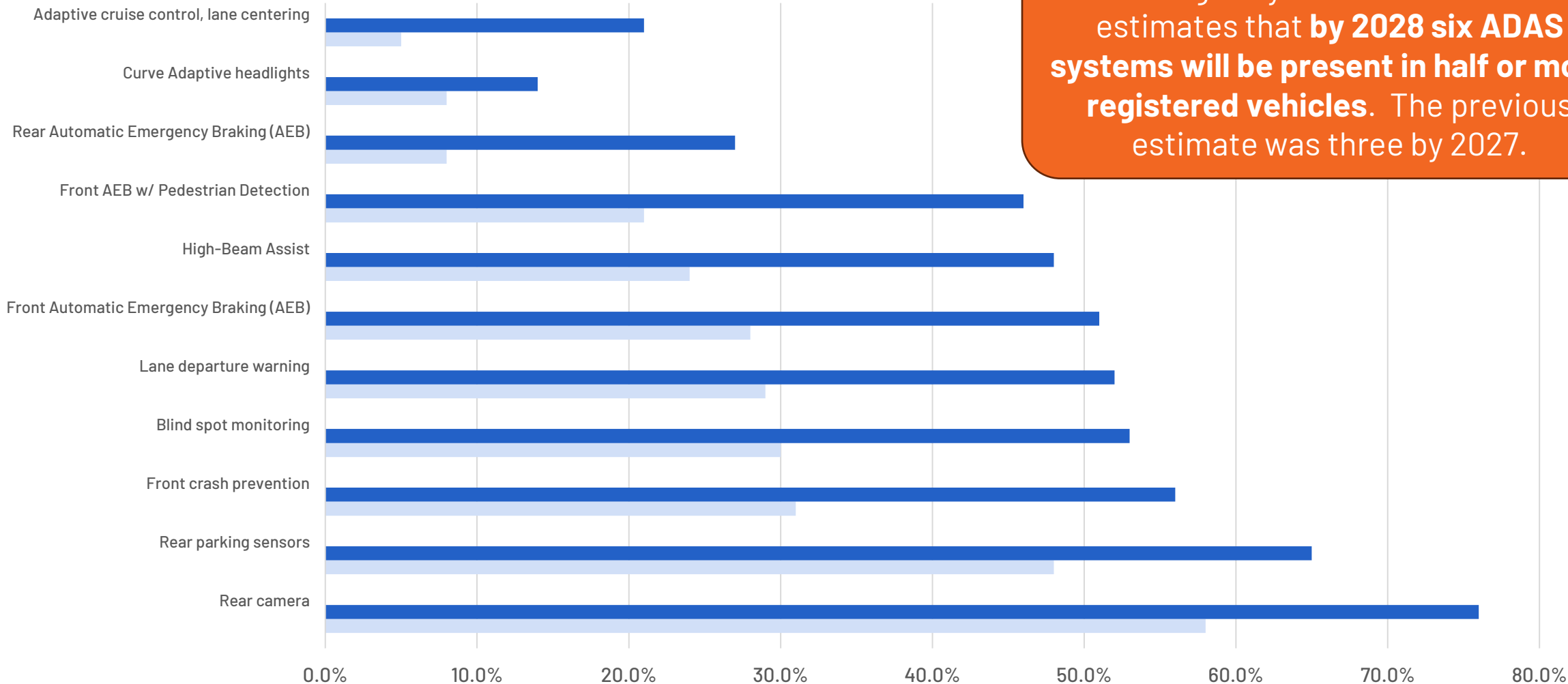


# ADAS Features Will Continue to Proliferate Throughout the Car Parc



IIHS/HLDI Predicted registered vehicles equipped with Collision Avoidance Systems

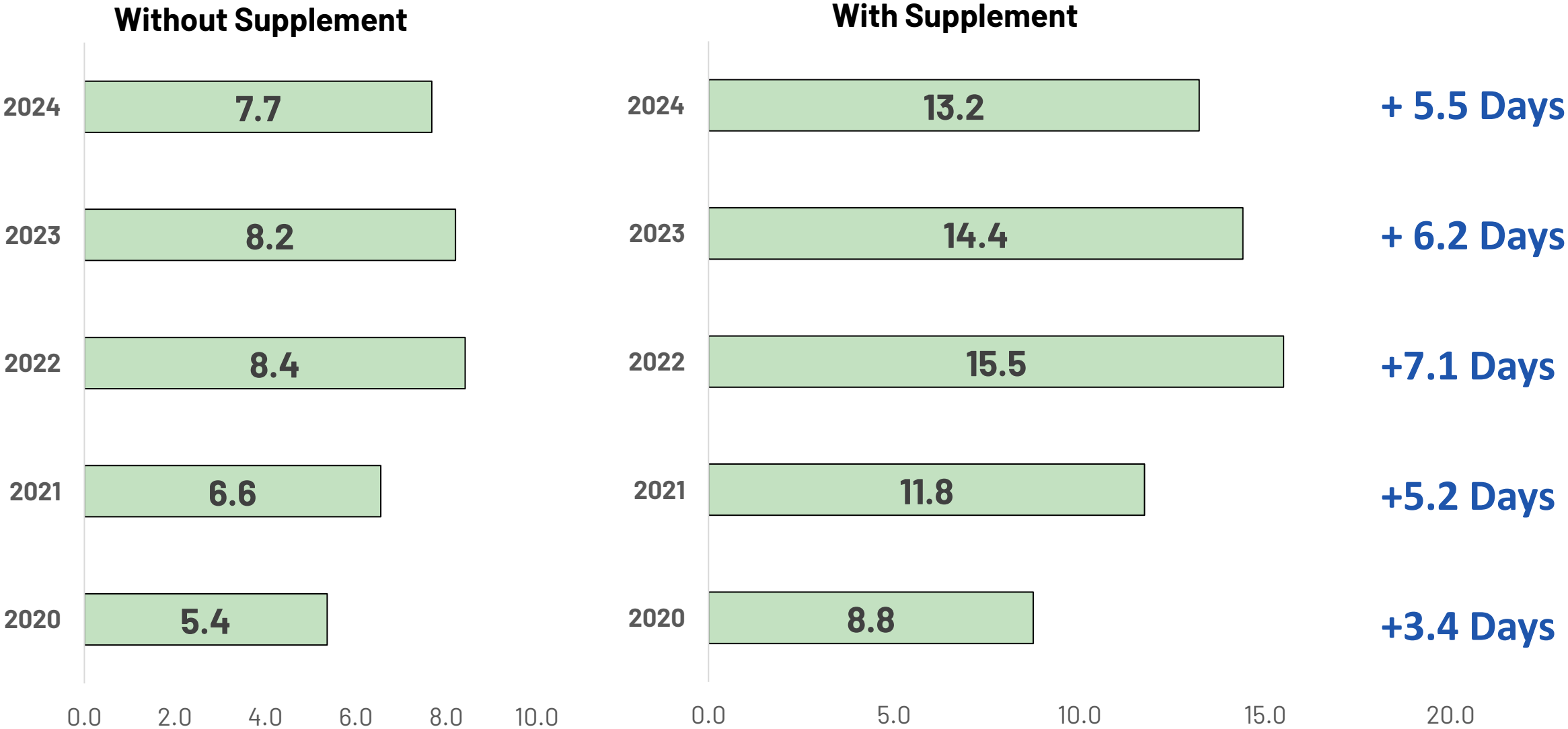
■ 2028 ■ 2023



The Highway Loss Data Institute estimates that **by 2028 six ADAS systems will be present in half or more registered vehicles.** The previous estimate was three by 2027.

# DRP Industry Cycle Time Comparison (2020-2024)

*Repairs Started to Repairs Completed Days Average, With or Without Supplement*

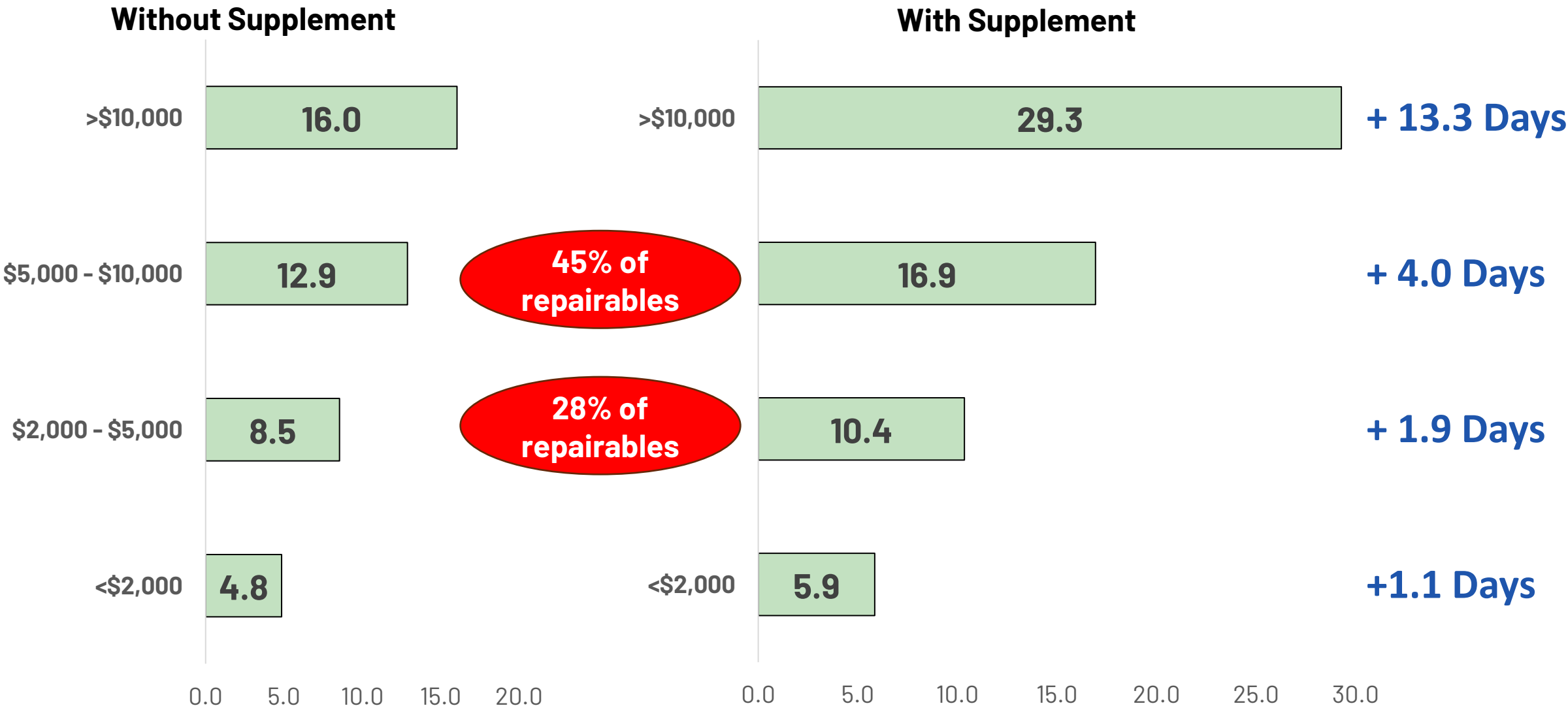




# DRP Industry Cycle Time Comparison – By TCOR Band (2024)



Repairs Started to Repairs Completed Days Average, With or Without Supplement



# Moments of truth research

## Collected Data on 2,400 policyholders

August 2023 – December 2023

### Participants:

- Been in an accident within past 2 years
- Filed a first party claim
- Completed the repair process

**Evaluated ~50 moments** and how they impacted 3 outcomes:

- Insurer satisfaction
- Propensity to switch carriers
- Repairer satisfaction



# EACH CONTROLS MOMENTS FOR THE OTHER

## Moments Impacting Satisfaction

FOR INSURERS

FOR REPAIRERS

**Clear communication about claims process**

**Quality of repairs**

**Satisfaction with ability to get rental**

**Satisfaction with ability to get loaner**

**Empathy**

**Ability to complete claims process digitally**

**Receive an initial estimate**

**Length of time to schedule repair**

**Length of time to get repaired car back**

**Customer able to influence parts selection**

**Household income**

**First-time filer**

**Transparent explanation of repair needs**

**Satisfaction with dropoff**

**Clear communication about claims process**

**Length of time to get repaired car back**

**Frequency of contact right**

**RF Cleanliness**

**Repair completed in timeline provided**

**Satisfaction with initial insurer contact**

**Clear estimated repair timeline provided**



Adds to Satisfaction



Detracts from Satisfaction

# TRANSPARENCY FOR TOP MOMENTS

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**Satisfaction with initial insurer contact**

**Clear estimated repair timeline provided**

**+ Adds to Satisfaction**

**- Detracts from Satisfaction**

# SPEED ALSO IMPORTANT FOR SATISFACTION

## Moments Impacting Satisfaction

FOR INSURERS

FOR REPAIRERS

**Clear communication about claims process**

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**Satisfaction with ability to get rental**

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Adds to Satisfaction

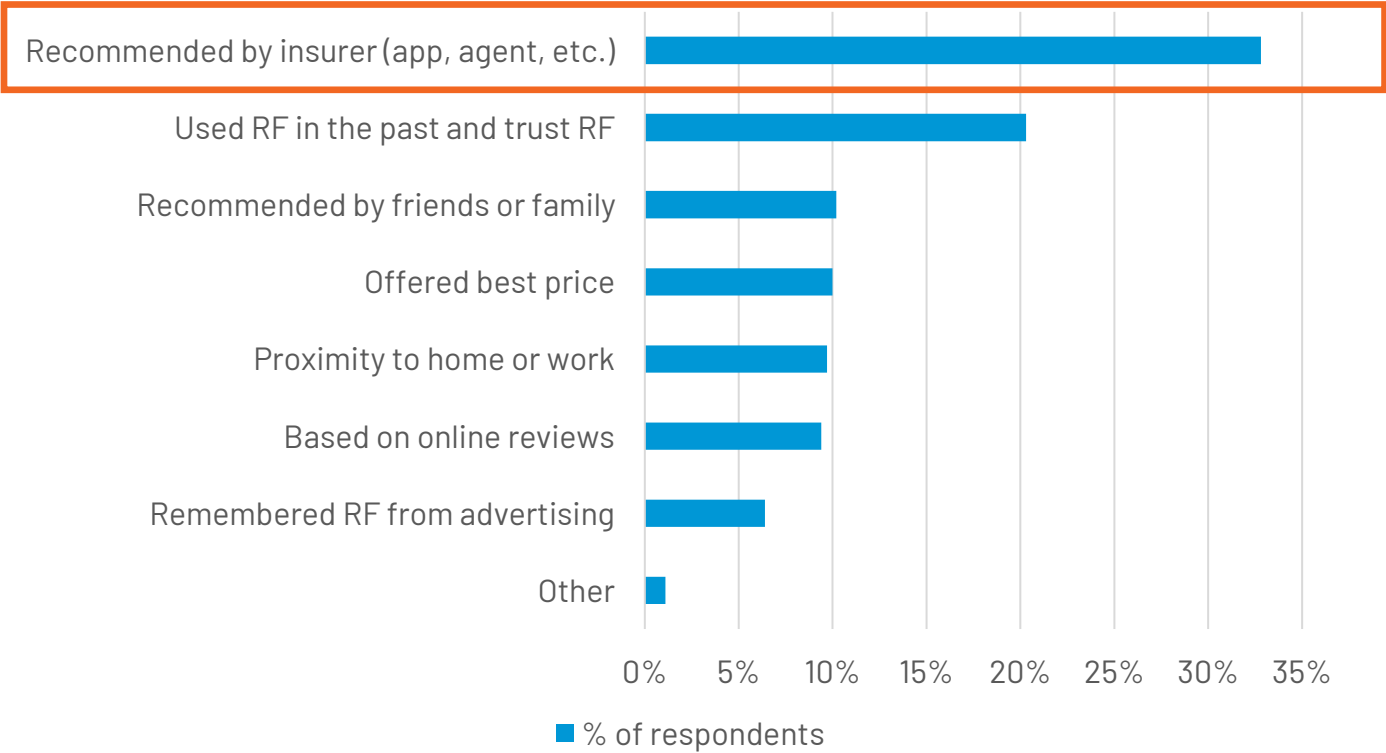


Detracts from Satisfaction

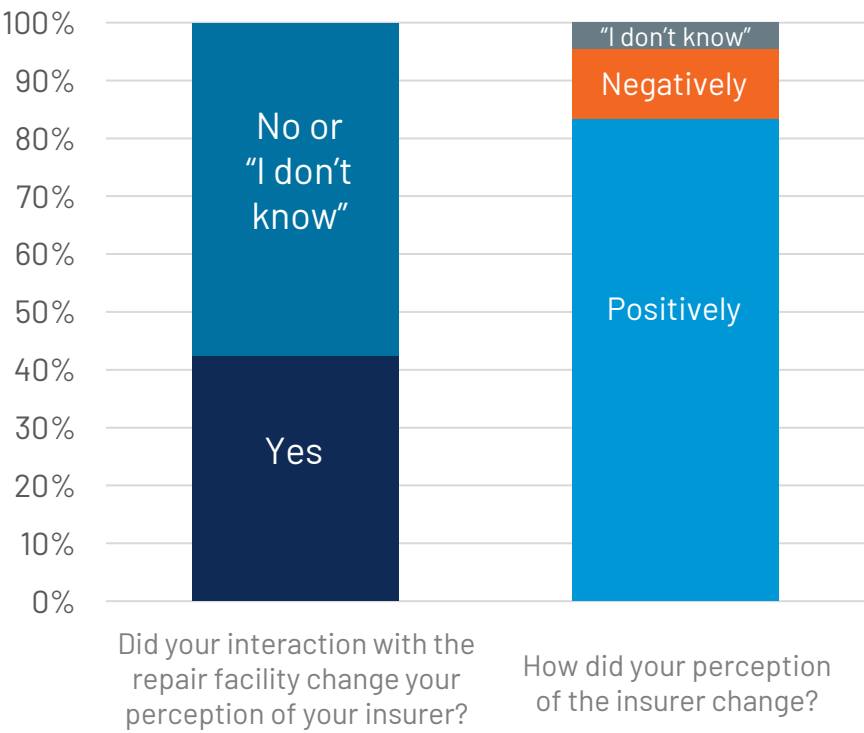
# INSURERS AND REPAIRERS ARE INTERTWINED

Insurer largely determines selection of repair facility

**What Was The Deciding Factor That Informed How You Chose The Repair Shop Or Dealer Service Center You Used To Fix Your Vehicle? (N = 2,400)**



**Repair Facility's Impact on Perception of Insurer (N = 2,400)**





# Considerations for Moving Forward

*Supplements are not the exception, but part of the repair process*



# Considerations for Moving Forward

Transparency

23 Entries

Capture Scans & Calibrations



Leverage AI in Reinspection





# Considerations for Moving Forward



Capture Scans & Calibrations



Leverage AI in Reinspection



# Considerations for Moving Forward



Capture Scans & Calibrations



Get Targeted with Audits



Supplement Reinspection

Leverage AI in Reinspection



Balance Tech, People, & Process



# Considerations for Moving Forward



Capture Scans & Calibrations



Get Targeted with Audits



Leverage AI in Reinspection

Workflow Engineering

Balance Tech, People, & Process



***Thank You***