

Request 1

At 2013.1 RR BCUC.154.2 with reference to the factors that contribute to legal representation, ICBC states:

“ICBC expects to have the benefit of further analysis on this topic in mid-2014.”

Please provide an undertaking to make the results of this analysis available upon completion of this “high priority corporate project”.

Request 2

At 2013.1 RR BCUC.154.4 – Attachment A – Legal Representation Rate, pages 5-6 ICBC states:

“More importantly, it has become evident that ICBC’s initiatives have not had the same favourable impact amount British Columbia’s growing multicultural population. While it is early days into the analysis, ICBC has seen significant increases in representation in the Indo Canadian and Asian communities.”

What analysis was conducted to identify “significant increases in representation” within these communities?

Request 3

At 2013.1 RR BCUC.154.4 – Attachment A – Legal Representation Rate, page 8, ICBC states that the Minor Damage Claim program was abandoned “Based on the concern that the friction associated with the LVI program was a potential contributor to the growing representation rates, and the cost of the program was now exceeding the benefits that were the original impetus for the program.

3.1 Please provide figures to illustrate the volume of LVI claims as percentage of total BI claims reported for each of the years 2006-2012.

3.2 Based on the total volume of LVI claims reported for each of the years 2006-2012, please indicate what percentage of claims fell under each of the following categories:

1. LVI claims closed without legal representation and claim not paid
2. LVI claims closed with legal representation and claim not paid
3. LVI claims closed without representation and claim paid
4. LVI claims closed with legal representation and claim paid.

Request 4

At 2013.1 RR BCUC.154.4 – Attachment A – Legal Representation Rate, page 8, ICBC asserts that the LVI program was successful in reducing bodily injury claims costs but that the program has been identified as a “potential contributor to the growing

representation rates, and the cost of the program was now exceeding the original impetus for the program.”

ICBC identifies the following reasons to support their belief that the LVI program was contributing to growing representation rates:

1. The committee-based process created delays:

“However, the effect of the committee-based process was often to delay the determination of whether a claim’s injury claim would be accepted by ICBC.”

2. That the decision-making was no longer within the adjusters accountability but had been shifted to someone that was not in direct contact with the claimant:

“It was also creating friction between the claimant and their adjuster because it took the decision making and accountability away from the adjuster and shifted it to someone that was not in direct contact with the claimant. These shortcomings could intuitively have a negative effect on representation rates.”

At 2013.1 RR AIC.3.4, ICBC is asked:

“Is it fair to say that authorities for adjusters to settle claims without management or committee approval have been reduced over time?”

The response provided by ICBC is as follows:

“Yes, overall authority levels for adjusters to settle claims without management or committee approval have been reduced over time. Adjuster authority levels were revised to be commensurate with the further enhanced segmentation of bodily injury (BI) claims. Enhanced claims segmentation and reduced authorities provide for increased management focus on BI costs within their specific functional stream, consistent with ICBC’s claims strategy. The file reviews are used to verify that settlement amounts are within appropriate ranges and provides opportunities for coaching, training, and sharing best practices, creating consistency in file handling and improved management of BI claims costs.”

ICBC abandoned the LVI program when it was identified as a potential contributor to growing representation. Specifically, ICBC identified that the effect of a “committee-based” process and the removal of “decision-making and accountability” from the adjuster had a “negative effect on representation rates”.

Based on this evidence, please discuss how reduced authority levels (that require increased management and committee involvement in the claim settlement process) might also contribute to growth in representation rates.

Request 5

At 2013.1 RR COPE.1.5.1 ICBC indicates:

“There is no proven correlation between ICBC’s employee engagement score and ICBC’s financial results.”

Please provide ICBC’s employee engagement scores broken down by division and then within the Claims division by business area and / or by the functional organizational model for the years 2006 through 2012.