

2017 General Rate Application

Presentation of Ward Keith

**Vice President, Business Development & Communications and
Chief Administrative Officer**

October 5, 2017



**Manitoba
Public Insurance**



Agenda

1. Loss Prevention

- Loss Prevention at Manitoba Public Insurance
- Loss Prevention Strategy and Framework – Implementation Status
- Dashboards and Metrics

2. Stakeholder Engagement on Loss Prevention

- Engagement Principles
- Forums and Activities

3. Road Safety Priorities and Key Initiatives

- Manitoba Public Insurance Role and Mandate
- Road Safety Frameworks and Three-Year Operational Plan
- Key Programs and Initiatives

4. Road Safety in the Broader Context

- Provincial Road Safety Committee
- Road to Zero – Manitoba Road Safety Plan 2017-2020

5. PUB Orders



Loss Prevention



**Manitoba
Public Insurance**



Introduction

Manitoba Public Insurance's Role in Loss Prevention

- The vast majority of collisions can be prevented and prevention of collisions is the best strategy to save lives, eliminate injuries, and reduce property damage on Manitoba roadways.
- MPI's *Loss Prevention Strategy and Framework* and *Operational Plan for Road Safety* represent a strategic, coordinated, and measured approach through which current and future investment decisions are made.
- Decisions are guided by use of data, evidence of best practice, and the extent to which initiatives contribute to overall positive return on rate payer dollars invested.
- MPI efforts are grounded in our mission of *Working with Manitobans to Reduce Risk on the Road*
- We also contribute to safer roads, vehicles and drivers through participation in the Provincial Road Safety Committee; and share the provincial vision of achieving a vehicle transportation system where injuries and fatalities no longer occur.



Formalizing Loss Prevention and Road Safety Efforts

- **Loss Prevention Strategy** provides overarching governance and framework
- **Operational Plans** for Road Safety Programming
- **Frameworks** for priority setting, research, program development and program evaluation
- **Data dashboards** to improve decision making, identify opportunities and gaps in our programs
- **Business cases** to support ideas and build consensus
- **Consultation** with stakeholders is formalized and reoccurring
- **External evaluation** of road safety frameworks and resource allocation
- **Annual reporting** to Public Utilities Board on strategic progress and program updates



Fiscal Prudence

- Value management process to define costs and benefits of new loss prevention projects and initiatives across the Corporation.
- Use of business case development for review/approval by management
- Once a project is implemented the Value Management process measures realized benefits against original project objectives
- Loss Prevention investment requires return on investment (economic or social); and are ultimately expected to provide value to Manitoba ratepayers.

Defining Loss Prevention

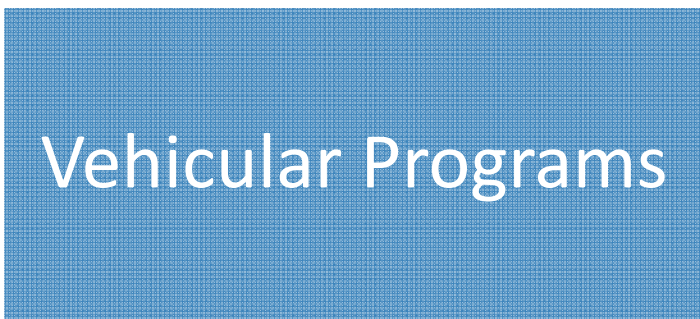
The **Loss Prevention** initiatives undertaken by MPI seek to **identify and implement** programs to address the primary drivers of **claims and claim costs** with the intention of **reducing** the **social and financial impact** to ratepayers

Loss Prevention Program Portfolio			
Loss Prevention (Before Claim)		Loss Payments Reduction (After Claim)	
Programs that proactively seek to reduce the probability of loss occurrences or loss severity and seek to change public perception of loss and safety issues.		Programs that seek to reduce loss costs after an incident has occurred by preventing incorrect payments, recovering incorrect or non owed payments, salvaging value from loss properties, or negotiating cost and managing quality of vendor services.	
Discretionary	Non Discretionary	Discretionary	Non Discretionary
<ul style="list-style-type: none"> • Auto Theft • Basic Insurance Fleet Management • Winter Tire Program • Driver Education • Road Safety Programs • Driver Safety Rating 	<ul style="list-style-type: none"> • Driver Fitness: Driver Improvement & Control • Driver Testing • Driver Fitness: Medical Compliance • Vehicle Standards & Inspections 	<ul style="list-style-type: none"> • Fraud Prevention • Salvage • Physical Damage Research, Training, and Repair Auto Accreditation 	<ul style="list-style-type: none"> • Subrogation and Recovery

Loss Prevention Programs



Driver Safety Programs



Loss Cost Reduction Programs

- Loss prevention programs fall into three categories
- Detailed updates on all programs and related achievements on data dashboards have been provided
- Data dashboards validate priorities, enable benchmarking, and provide useful insights into how current programs may be modified or new programming initiated

Stakeholder Engagement on Loss Prevention



**Manitoba
Public Insurance**

Stakeholder Engagement Forums

- **External Stakeholder Committee on Loss Prevention**
 - Integral component of Loss Prevention Strategy
 - Established in 2015
 - Committee meets regularly and is achieving purpose, goals and objectives
- **Provincial Road Safety Committee**
 - Road to Zero: Manitoba Road Safety Plan 2017-2020
- **Industry and Stakeholder Collaborations**
 - Narrower scope of consultation with specialized interests





Engagement Principles

- We **engage** our stakeholders to build and/or enhance **trust** and **confidence**
- Stakeholders provide **knowledge** and **expertise** that adds value in our process to find the right solutions for business success
- Stakeholders must have a say in loss prevention decisions and their contributions will **influence** our decisions





External Stakeholder Committee on Loss Prevention

- Includes organizations that have a stake in the loss prevention operations and decisions of the Corporation – meets quarterly
- MPI captures and responds to stakeholder concerns and/or ideas
- MPI shares information to facilitate understanding
- Stakeholders provide input on activities, validate approaches

Examples information shared and discussed:

- MPI loss prevention priorities
- Strategic direction and loss prevention initiative plans
- Research findings
- Loss prevention dashboards



Provincial Road Safety Committee

- Provincial committee established to reduce the number and severity of collision-related injuries and fatalities by:
 - Fostering coordination and collaboration between Manitoba Infrastructure, Health, Justice, MPI and the Manitoba Association of Chiefs of Police
 - Promoting road safety in a holistic, strategic way
 - Ensuring road safety issues are identified and prioritized at a jurisdictional level





Industry and Advocate Collaboration

- **Manitoba Association of Chiefs of Police:** Integrated awareness and enforcement programs
- **Manitoba Trucking Association:** Commercial vehicle fleet safety programs
- **CMMG:** Ignition interlock, road safety programs
- **Cycling stakeholders:** Cycling safety programming, educating motorists
- **Manitoba and Regional Health Authorities:** Research
- **CAA Manitoba:** High School Driver Education
- **Safe Work Manitoba:** Road safety at work
- **IRCOM and NECRC:** Adult driver education
- **Taxi Industry Working Group:** Claims reduction strategies



Road Safety Priorities and Initiatives



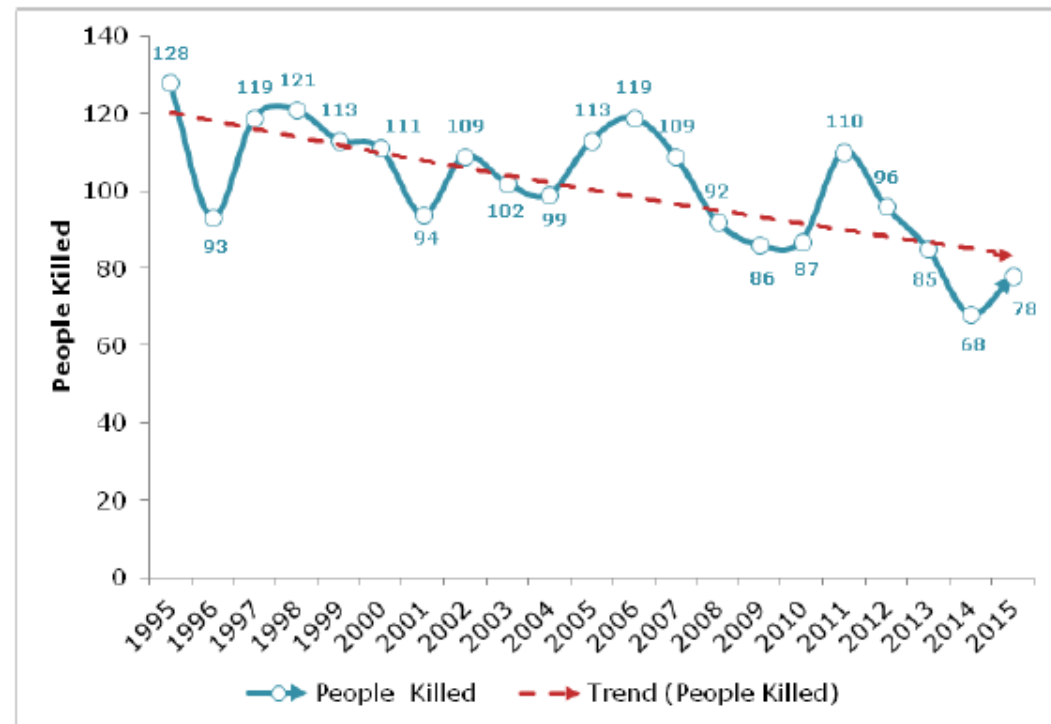
**Manitoba
Public Insurance**

Road Safety - Reducing Human Toll

- Downward trend continues for motor vehicle fatalities and fatal collisions despite growth in number of drivers and vehicles

- Increase in total fatalities in 2016 is not an indication of long-term trend reversal
- 2017 preliminary fatalities are tracking well below five-year average.

Figure LP- 3: 4.1.1 People Killed (MB): Summary of Trend from 1995 to 2015





MPI Role and Mandate

- MPI's role in the provincial road safety construct is grounded in legislation and driven by our mission and mandate
- Road safety efforts are focused first and foremost on:
 - Establishing premiums that reflect individual driver risk
 - Administering regulatory safety programs under *The Drivers and Vehicles Act*
 - Subsidizing quality driver training for young drivers and more recently, for adults who may not have had access to the high school program
- Complementary efforts are focused on educating Manitobans and raising awareness about key road safety risks that contribute to collisions, fatalities and serious injuries



Operational Plan for Road Safety

- MPI road safety efforts have been formalized in research, priority setting, program development and program evaluation frameworks
- Frameworks have been filed with the Public Utilities Board and independently evaluated





Road Safety Priorities

Behavior Change Priorities

1. **Distracted Driving**
2. **Speed**
3. **Impaired Driving**

Pedestrian Safety

Following Too Closely

Failure to Use Occupant
Restraints

Motorcyclist Safety

Cyclist Safety

Emerging Issues

1. Mature Drivers
2. Autonomous Vehicles
3. Traffic Safety Culture

Other Loss Prevention Issues

1. Collisions with Animals
2. Loss of Control/Drove off
Road
3. Failure to Yield Right of Way





Key Programs – Driver Education

High School Driver Education

- 12,000 new teen drivers receive classroom and in-vehicle instruction annually
- Stronger parent /guardian and student engagement which is critical for success
- Program redevelopment continues in 2017/18
- Pilot of new program 2018/19
- Full scale implementation 2019/20
- Expanding access to northern communities

Adult Driver Education

- Focus on new Canadians and remote indigenous Canadians who may not have had access to the high school program



Key Programs – Driver Education

- Program curriculum redevelopment will produce a new interactive experience for students focused on higher order learning competencies
- Classroom hours better utilized, shifting some ‘knowledge-based’ program content to online, mobile or computer-based learning
- Additional supports created for parents and legal guardians to better equip them to coach and mentor their children during supervised practice driving
- Instructor support includes development of a competency model to identify the appropriate skill set required to facilitate the new curriculum, in addition to ongoing learning to stay attuned to emerging trends and developments

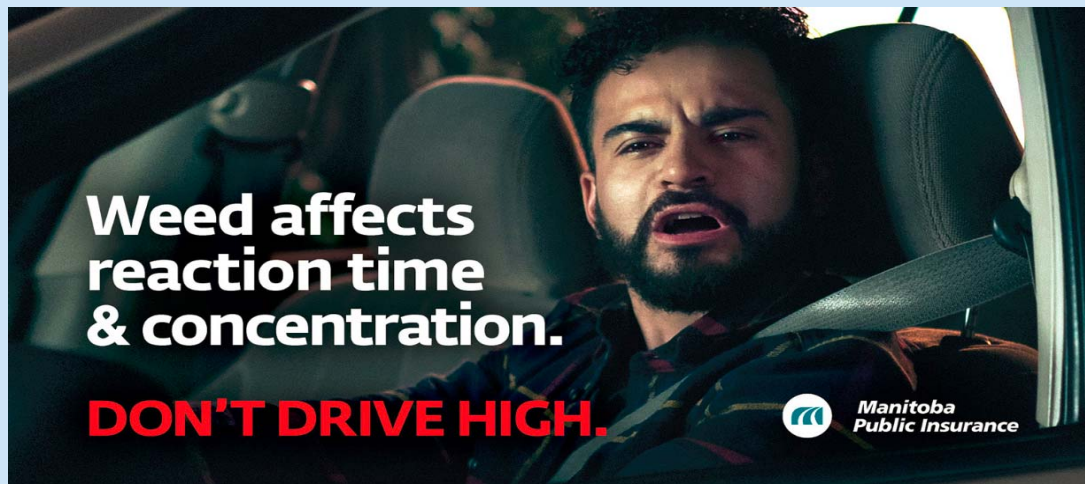
Key Programs – DRIVR-X

DRIVR-X

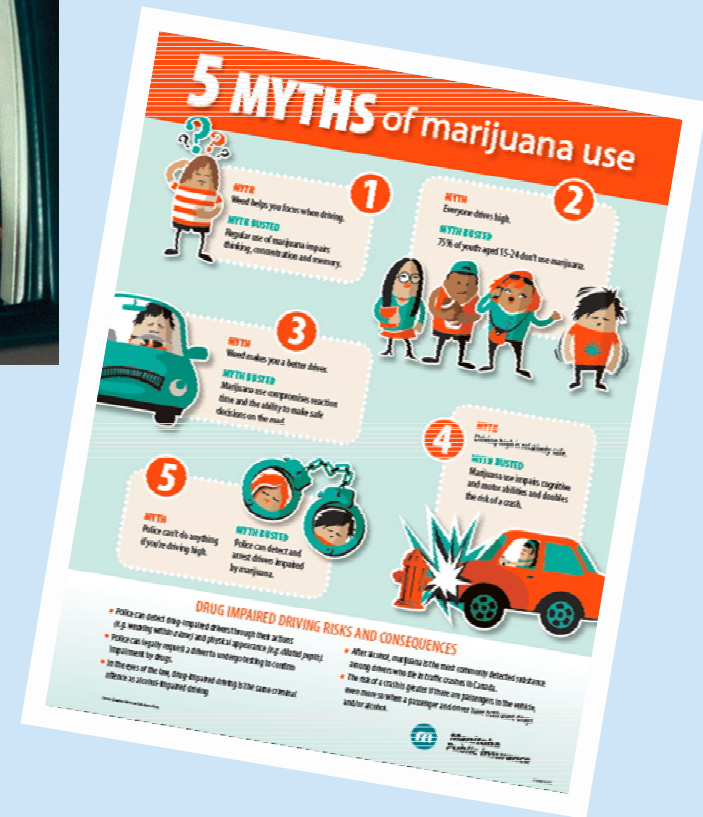
- Virtual reality experience to engage young drivers on the tragic consequences of **Distraction, Drug-Impaired Driving and Speed**



Key Programs – Drug Impaired Driving



- Think you can drive high? Think again!
- Penalties for driving impaired by drugs are the same as penalties for alcohol impaired driving
- You may have the right to use cannabis, but you don't have the right to drive impaired



Key Programs – Gravel Roads

Gravel Road Strategy

- Mandatory instruction in High School Driver Ed
- Targeted public awareness on gravel road risks
- Enhanced RCMP enforcement on gravel roads



Manitoba
Public Insurance

Key Programs – Cycling Safety

Bicycle Education & Skills Training in the Schools (Gr. 4-8)

- Long term strategic approach to produce safe cyclists and reduce future collisions involving cyclists
- Physical education instruction to teach safe cycling in class and on the road
- Two year pilot (partnership with Bike Winnipeg, Seven Oaks School Division and Green Action Centre)



**Manitoba
Public Insurance**

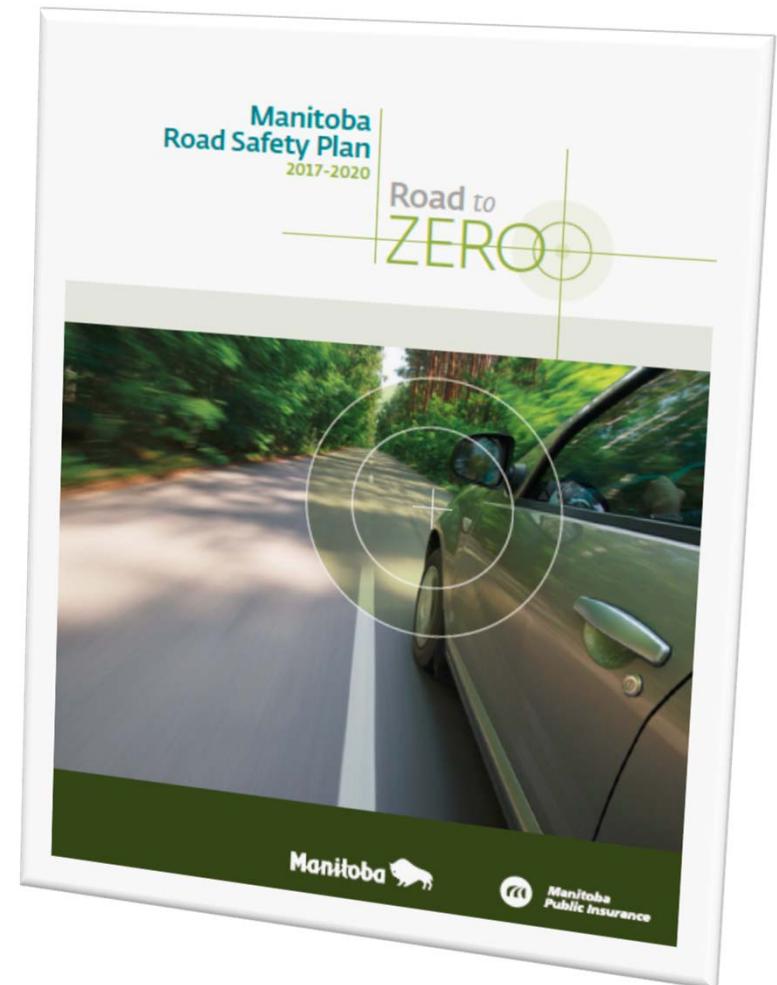
Road Safety in the Broader Context



**Manitoba
Public Insurance**

Provincial Road Safety Committee

- **Manitoba Road Safety Plan:**
 - Commitment from Stakeholders
 - Outlines current environment including personal and social costs of collisions
 - Safe Systems Approach
 - Toward Zero principles and targets
 - Priorities for safe roads, safe vehicles, safe road users and safe speeds
 - How progress is to be measured



Provincial Road Safety Committee

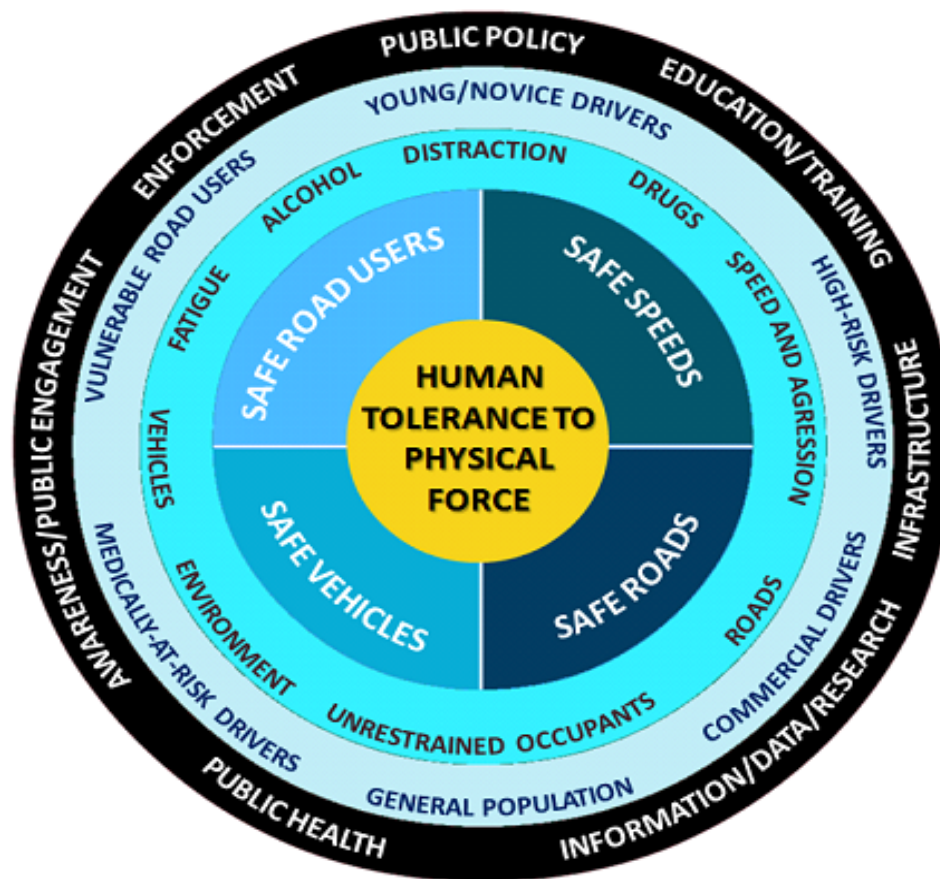
- Manitoba Road Safety Plan:

- Safe Systems

- Safe Roads
- Safe Road Users
- Safe Vehicles
- Safe Speeds

- Toward Zero

- Downward trend in fatalities and serious injuries



PUB Orders

PRESENTATION OF WARD KEITH
VICE PRESIDENT, BUSINESS DEVELOPMENT &
COMMUNICATION AND CHIEF PRODUCT OFFICER



**Manitoba
Public Insurance**



PUB Order 10.23

File a five year strategic plan addressing road safety programming

- MPI's first Operational Plan 2014-2016 executed successfully
- Renewed three-year Operational Plan & Frameworks filed for 2017-2020 to align with corporate strategic planning cycle
- Document refines and clarifies frameworks, and applies recommendations from the external evaluation ordered by the PUB (2015 GRA)
- Document provides roadmap for road safety programming over the next three years



PUB Order 10.24

Provide information on road safety efforts directed at reducing collisions in rural areas in Manitoba

- Full accounting of rural efforts provided in Appendix 7
- Gravel Road Strategy launched in 2017/18
- Multi-faceted approach aligns education, awareness and enforcement interventions to promote positive behaviours to reduce risk on gravel roads



PUB Order 10.25

Provide analysis of road safety budgets of SGI and ICBC, including mandate of those insurers, their annual road safety budgets, and budget breakdown by initiative, compared to MPI's road safety budget

- Analysis complete and filed in Appendix 14
- MPI remains confident current model of investment in road safety is strong, data-driven, evidence-based, and working



PUB Order 10.26

Report on the progress of the Loss Prevention framework and produce the framework dashboard and scorecard

- Update on Strategy and Framework implementation provided
- Notable activities and accomplishments include:
 - ✓ Dashboard project initiated, phase one complete
 - ✓ Data sets assembled and transferred to Tableau
 - ✓ Dashboard snapshots filed throughout Loss Prevention chapter to share insights and trends
 - ✓ Program cost models developed for phase one
 - ✓ External Stakeholder Committee continues
 - ✓ Phase two initiated this fall
 - ✓ On schedule for completion in 2017/18





PUB Order 10.27

Provide an update into the activities of the External Stakeholder Committee

- Committee meets quarterly with participation from invited organizations
- Minutes filed in Appendix 1
- MPI has shared information on:
 - ✓ Loss prevention priorities and programs
 - ✓ Provincial Road Safety Committee
 - ✓ Interactive data dashboards for Loss Prevention Strategy



PUB Order 10.28

Provide an update into the activities of the Provincial Road Safety Committee

- Update on committee work provided
- *Road to Zero: Manitoba Road Safety Plan 2017-2020* released September 29, 2017
- Working groups will launch in Fall 2017
- Safe Systems and Toward Zero approaches are recognized and adopted in the Plan



PUB Order 10.29

File the Road Safety Plan prepared by the Provincial Road Safety Committee and produce a witness from the Government of Manitoba in the 2018 GRA hearings to provide a presentation of the Road Safety Plan

- *Road to Zero* has been filed
- MPI lacks authority to compel the Government of Manitoba to produce a witness and provide a presentation



PUB Order 10.30

File an update on the results of the roadside survey conducted in September 2016 and provide information as the Corporation's plan to target the issue of drug impaired driving in particular; and any statistics or information available to it regarding the prevalence of marijuana use among drivers

- Roadside survey methodology and summary findings and other empirical evidence of marijuana use among drivers filed
- Complete MPI Drugs and Driving Communication Strategy for 2017 filed in Appendix 11 including messaging and channels for four target audiences
- Multi-pronged public awareness campaign launched September 14, 2017



PUB Order 10.32

Clarify the Corporation's stance on the use of the Safe systems model or a Vision Zero target for collisions

- Adoption of a Safe Systems model and Toward Zero approach to road safety requires jurisdictional support which would be achieved through the Provincial Road Safety Committee
- MPI supports the adoption of these approaches by the Provincial Road Safety Committee





PUB Order 10.33

Provide information regarding MPI's intention and/or efforts, if any, to employ consideration of social costs of collisions to set road safety programming priorities

- Social costs of collisions are best addressed at a jurisdictional level as they include health, economic, and societal factors
- Within the *Road To Zero* plan, road safety targets include downward trending of the societal costs of collisions in Manitoba on a per capita basis over the next ten years
- By adopting a Safe Systems model, a Towards Zero approach, the reduction of social costs of collisions is a measure of progress for Manitoba's road safety plan



PUB Order 10.34

File an update on the progress of the implementation of the High School Driver Education Redevelopment and on its effectiveness to date

- Multi-year roadmap for redevelopment of HSDE
- Technology proof of concepts tested, evaluated, and will be incorporated where it makes sense to do so
- Next phase includes curriculum redesign to incorporate higher order learning, online learning, flexible build for varied audiences, and social media as a learning tool



PUB Order 10.35

Study the use of fencing to prevent wildlife collisions, including discussion with other jurisdictions that employ wildlife collision management plans, and in the 2018 GRA, provide a report on its further study of wildlife collision management plans

- Previous wildlife studies filed in Appendix 15
- Fencing and large animal warning systems are not recommended following completion of cost-benefit analysis
- MPI is monitoring advances in vehicle technologies and in the interim; will continue to focus resources on driver awareness and ‘hot spot’ research to better identify density of collision occurrences, deer population, habitat and other environmental information



PUB Order 10.36

Work with the CMMG on a proposal for a pilot involving the use of fencing in order to study its effectiveness in reducing wildlife collisions

- Legislative authority in section 6 (2)(h) of The Manitoba Public Insurance Corporation Act does not enable MPI to fund road infrastructure
- No evidence there is a potentially sufficient ROI on a fencing project
- Recent emergence of in-vehicle detection and warning systems that use an active radar sensor and infrared camera to detect large animals, tied to automatic emergency braking



Conclusions

- With the guidance of the Public Utilities Board and input from intervenors; MPI has made significant and meaningful progress in advancing loss prevention efforts to reduce collision frequency and severity
- A provincial mandate to pursue a holistic, safe systems approach to road safety will provide an excellent opportunity for further progress that will benefit road users and rate payers
- A holistic, multifaceted approach is best – based on evidence and proven/promising practice and executed with fiscal prudence
- The Corporation looks forward to continuing to collaborate with road safety stakeholders within the broader road safety construct



Thank You



**Manitoba
Public Insurance**