

Updates from Warranty Operations and Customer Care

The following articles are published to assist you with processing claims, contain valuable pieces of general information and support for our mutual customers

A General Review of the Recall Policy

Within the *Dealer Policy Manual* section titled *Warranty Reimbursement*, the policies surrounding *Service and Recall Campaigns* resides. It states "From time to time, you will be called upon to perform service work in connection with a FCA US factory recall campaign. These campaigns involve either safety, emissions or customer satisfaction related repairs. Some of the involved vehicles may be in dealer new vehicle inventory. Federal law requires that campaign inspection and/or correction must be made on all vehicle in dealer inventory, including used cars and demos, before delivery to a customer. Vehicles in dealer inventory must be fixed prior to sale. The National Highway Traffic Safety Administration (NHTSA) may impose fines to dealers who fail to comply with this requirement."

Additional points surrounding any campaign to remember include:

- ✚ Dealer should perform any campaign service, as determined by using VIP in DealerCONNECT, to any vehicle in for service repairs.
- ✚ FCA US will pay a duplicate recall repair if the vehicle exhibits the same condition described in the recall notification. Duplicate repairs will require a corporate pre-authorization for payment.
- ✚ It is FCA US's policy that dealers are solely responsible for ensuring that all campaign (Recall/Customer Satisfaction/Emissions) inspection and/or repair work was completed in accordance with related Dealer Service Instructions.

For a complete review of the *Service and Recall Campaign* policies, refer to the *Dealer Policy Manual*.

Chargeback Procedure Highlights

It is vital that all the data submitted to FCA US is accurate and complete. Any exception will result in non-payment or chargeback of the claims. A good in-house warranty administration system is vital to your business to help avoid running into warranty problems. These are just a couple of the statements in the *Warranty Administration Manual* when discussing chargebacks.

Examples of chargebacks found within the *Warranty Administration Manual* include:

- Federal Law required that any new vehicle may be sold or leased only after all Safety Recall procedures have been performed. When a Recall, Customer Satisfaction Notice (CSN) or Rapid Response Transmittal (RRT) is not performed prior to delivery on a sold or leased vehicle, a new vehicle prep chargeback will be applied.
- When required by FCA US to return any part paid in conjunction with claims for Warranty, Mopar, Service Contract, company owned vehicle or Goodwill.
- Did not ship the parts required to return in the proper condition, or with the required paperwork, within 10 days of the paid claim date.
- Specific Mopar Remanufactured Parts must be used for warranty repairs. New parts must be used if the vehicle is unsold. Failure to use authorized parts, or to identify non-Mopar parts, will result in a non-payment or chargeback for both parts and labor.
- Failure to document the 3 C's or the reason for additional time.
- Dealers are encouraged to use the *Dealer Self Chargeback* feature in DealerCONNECT to initiate a chargeback when it is appropriate to do so. The chargeback options are: the entire claim, entire condition, individual part and/or individual labor operation. A *Reason Code* is to be selected that best describes the reason for a chargeback.



Warranty Operations Newsletter

Volume 1, Issue 7



Vehicle Digital Imaging Update

After reviewing the Vehicle Digital Imaging (VDI) process we will be making changes over the next few months.

One change coming soon is the ¾ view photo will no longer be required. The ¾ view photo will be replaced with a requirement to attach a “detailed estimate summary” using the LOP summary from DealerCONNECT.

If you would like to preview a sample “detailed estimate summary”, review the *Master Service and Parts*, 1st Quarter, 2014 *Warranty Focus*.

If you want to start using this process of attaching a detailed estimate summary now, please do so. It will help you get ready for when the update launches.

LOP	Description	Bill Category	Police Codes	Material	Type	Hours
230000	Body repair, wheel opening fasteners, new 1/2" square 1/2" steel (body)	8 - ELECTRICAL AND BODY SYSTEMS	GE SHORTAGE PART		0.00	0.0
230100	New part preparation paint preparation				0.00	0.0
230800	Painting, wheel opening fasteners, new 1/2" square 1/2" steel (body)	8 - ELECTRICAL AND BODY SYSTEMS	GE SHORTAGE PART		0.00	0.0

Handwritten calculation:
Labor 19 x 98.04 / hr = 186.28
Paint Materials = 60.13
246.41

All About LOPs and Time Studies

Dealers have the ability to request a Labor Time Study if they feel the time is inadequate. As part of the request, dealers must provide a detailed reasoning on why it should be reviewed.

Most of our time study technicians previously worked in dealerships before coming to work for FCA US. When they perform a time study – they follow each step in the service procedure. 99% of the repairs are done using basic hand tools and “Special Tools” when called for in the service procedure. It really is that simple. I think a good analogy is the use of GPS. We can all agree that when you are going somewhere for the first time that using a navigation unit saves time.

To make your labor time study request go to the *Service* tab in *DealerCONNECT* and select *Request for Labor Time Study* and fill out the form in detail.

- ▶ Claim Entry
- ▶ Claim Acknowledgement
- ▶ Chargebacks
- ▶ Servicenet
- ▶ Labor Operations
- ▶ LOP Related Inquiry
- ▶ Request for Labor Time Study

We get comments from dealers that Chiltons, All Data and Motors manuals pay 30% more than the flat rate times. There's a very good reason for that. Did you know that those companies don't perform time studies? They just mark up the flat rate time.

We here within the LOP group appreciate your input!



Warranty Operations Newsletter

Volume 1, Issue 7



Mopar IRF Labor Allowance

October 1, 2014 Mopar launched the *Mopar Parts & Accessories Limited Warranties* 24 month/Unlimited mileage part warranty for most parts (see the *Mopar Parts & Accessories Limited Warranties* statement for full details. A link to the statement can be found in the *Warranty Administration Manual* section *Parts*.)

Announced within the statement, was the introduction of an Independent Repair Facility (IRF) labor allowance of **UP TO \$150** labor, based on the repair by a professional technician.

Claims must have supporting documentation to be approved. Claims exceeding \$150 (even with proper documentation) will be rejected. This allowance is not a "flat fee" which is what we have seen on certain claims.

We want to make sure you understand that the LOP for the failed part is used to determine the reimbursement rate, just like any other Mopar (M) claim. To calculate the reimbursement amount allowed you would –

- ✓ use your labor rate or the IRF rate whichever is lower
- ✓ the time the LOP allows and calculate the reimbursement,
 - o if the amount is under \$150 actual labor time is required
 - o if the amount is over \$150, only **UP TO** the \$150 is allowed

Please remember to attach a copy of the IRF repair order to support the labor request. This does not apply to a "do it yourself customer".

Updating Customer Owner Information

How many of you are updating the customer owner information when a vehicle is in for service, traded, or even sold as a used unit? Just a reminder that you are the best source FCA US has to keep our owner information accurate. You can update mailing addresses, email and ownership information for both sales and disposal.

FCA US uses the customer information to send mailers when dealers use the OnDemand system, send Recall notices, and even send out surveys.

If you need a refresher on how to update customer information or add a disposal date, there is an important *Help* document available right in *DealerCONNECT* > *Customer Relations* > *Owner Information* > *Customer Information*. You access this *Help* document by clicking on the  button. In the *Help* document review the *Corrections and Change of Address* instructions on pages 9 - 11.

3 C's Policy

Dealer Service personnel are responsible for written documentation when performing warranty repairs. The "3 C's" (Concern, Cause and Correction) must be documented as part of the repair process on the repair documentation (aka - repair order). Repair documentation plays an important role in the claims analysis process. Failure to document the "3 C's" as set

forth in the *Dealer Policy Manual* within *Record Keeping* could result in claim chargebacks during a review.

Reference the *Warranty Administration Manual* > *Claim Procedure* for the basic claim entry steps #3 (Service Advisor) and #6 (Service Technician) regarding documenting the "3 C's".



Warranty Operations Newsletter

Volume 1, Issue 7

TechCONNECT Enhancements Coming Soon

Thanks to your feedback enhancements to TechCONNECT and Requesting Technical Assistance are coming soon! The following highlights what this will mean to you:

- Increased repair support on first contact
- Fewer touch points with the STAR Center
- Less time spent finding paperwork and forms
- New tools and processes with a stronger emphasis on diagnostic support

The enhancements include:

- **Diagnostic and Repair Process Improvements** – Technicians will have the ability to send valuable information to STAR, such as scan reports, freeze frame and configuration data. This provides tech assistance personnel with more substantial facts and figures to support even the most complex service requests. Additionally, pictures, videos and sound clips (less than 5mp) can be attached and used to identify service needs.

- **Enhanced Customer Satisfaction (ECS) Vehicle Service Support** – You will no longer need to open multiple Technical Assistance Requests for vehicles already in the ECS program. If the vehicle is identified in the ECS program, simply diagnose and contact the ECS phone number 866-275-1420 with findings for further repair guidance.
- **Diagnostic Forms** – Using the primary system codes and the documented customer concern, the forms will populate with the appropriate information for the technician to fill out, saving you valuable time. Also, process improvements make completing the NTF and NVH forms easier and faster.

Finally, the system automatically tracks vehicle “down” days so you don’t have to. By populating the initial request for assistance with the RO# and the RO open date, the countdown begins and keeps track of the days the RO was open.

Stay tuned for more information in COMDASH and new tutorials available soon in DealerCONNECT.



Warranty Hotline & Live Chat Buzz

Keeping you informed of the top incoming questions. We will provide insight from our Hotline and Live Chat agents

Using the incorrect Labor Operation(s) can reduce a technician’s reimbursement time, cause DAZE related concerns and even effect Quality Engineering reports. It is extremely important to verify that your claims are lopped and fail coded accurately. For additional Labor Operation training details please reference the *Labor Operations Help Guide* by accessing the path below.

DealerCONNECT>Service>Claim Administration>Labor Operations in the  button.

Methods of Using Labor Operations Search

To use search functionality, review the following methods.

1. Click **Labor Operation Search** link on Labor Operation Tab of LOP home page
4. Select the desired method of search.
 - a) **TSB:** Enter SB (Service Bulletin) number. It should be in XX - XXX - XX format.
 - b) **Recall:** Enter the Recall number. It should be 3 characters long.
 - c) **Part Number:** Enter the part number. It should be 8 or 10 characters long.
 - d) **Description:** Enter the text to be searched. Maximum 40 characters can be entered.

Note: For better search results, enter a complete word (transmission control).
5. Click the **Search** button to get the results loaded.
6. After results are loaded in the table, click once on any of the LOP codes to get the details populated in the **Labor Operation Detail** tab.

