

BMW WARRANTY SIMPLIFICATION PROGRAM (WSP) DIAGNOSIS WORK TIME FLAT RATE CONCEPT

This Service Information bulletin (Revision 05) supersedes SI B01 07 20 **dated May 2023**

What's New:

- The additional Service Pack (SP) 21 vehicles with Basic Central Platform (BCP: G06 LCI, G09, F95 LCI and F96 LCI) have been added
- The Situation, Procedure, Parts Information, and the Claim Information sections have been updated

MODEL

All

SITUATION

The BMW of North America (BMW NA) Warranty department wants to help your center to drastically reduce the amount of repair-related notes/comments that are being entered for all claim-related repair order line items, correspondingly, reducing the amount of time a technician spends documenting diagnosis work time (WT) in the Dealer Management System (DMS). Approximately 85% of the center network is participating in this program.

Diagnosis Work Time Flat Rate Concept (repair date claimed on or after July 1, 2020)

An alternate opportunity to accomplish the above and in place of the Standard Variable Diagnosis Work Time/Flat Rates, **for those centers that did not opt out of this program**, BMW NA will reimburse a:

- **Fixed diagnosis work time FRU allowance for each qualifying RO line item; with only**
- **DCI and high level technician notes required; and only**
- **One on/off punch per RO (no separate punches for diagnosis work time)**

For each qualifying repair order warranty line item, regardless of if performing diagnosis was or was not needed to perform that repair, this fixed diagnosis work time can be claimed.

However, the fixed diagnosis work time is in addition to claiming the vehicle test and other applicable diagnosis/associated flat rate labor operations that are also performed during diagnosis.

The FRU amount BMW assigned to the fixed work time flat rate operation was determined by calculating the diagnosis work time national average for the US (including Puerto Rico) during the 3 years 2017 to 2019.

The initial opt-out deadline for this program expired on May 29, 2020.

If your center decides to opt out at a later date or decides to enroll, please use the applicable Work Time Flat Rate Form that can be found in the Warranty Documentation Portal, have it signed by your General Manager or Center Operator and send it to warrantysimplification@bmwna.com.

Change requests have to be submitted and will become effective as noted below:

- Enrollment with 4 weeks' notice to the beginning of the next quarter.

- Opt-out with 4 weeks' notice to the end of the current quarter.

Eligible RO Repair Line Items

All completed and claimed warranty, goodwill and/or covered CPO/ESC repairs using the applicable 8-digit AIR Repair Code with either 00 or the program's local vendor ID code in the 9th and 10th position.

Excluded RO Repair Line Items

QC1 (PDI Inspections) and BMW Maintenance Program services.

Service Information Bulletin Repairs Scenarios

For Recalls, Service Actions, Component-Specific Extended Limited Warranties and all other repairs that are addressed by a bulletin, the following matrix applies:

#	Service Information Bulletin Scenario	What to claim?	Example
1	Bulletins with special labor operation codes starting with 005 ..., 006..., 007...	Work time flat rate is <u>not</u> applicable	SI B63 07 19
2	Bulletins without special labor operation codes	Work time flat rate applicable, no punches needed	SI B31 01 16 or SI B 51 21 19
3	Bulletins with special labor operation codes starting with 005 ..., 006 ..., 007... and additional instructions to claim diagnosis but without diagnosis WT allowance	Work time flat rate applicable, no punches needed	SI B01 10 17
4	Bulletins without special labor operation code but with instruction to claim diagnosis and diagnosis WT allowance	Work time flat rate <u>not</u> applicable – claim WT op code and amount as stated in the bulletin, no punches needed	SI B12 33 14
5	Bulletins without special labor operation codes that have instructions to perform and claim specific diagnosis type labor operation codes that have specified flat rate (FRU) allowances	Work time flat rate <u>not</u> applicable – claim the diagnosis op code per the SIB, and FRU amount that applies, no punches needed	SI B01 07 16
6	Bulletins that provide a process to address a specified group of vehicles that were produced or built with incorrect equipment, or were delivered to your center from BMW missing required components and/or accessories (Including VDC shortage sheets)	Work time flat rate is <u>not</u> applicable to these types of retrofit procedures	As applicable

If additional repair work time is required in these cases, for example, for consequential damage repair, work time can be claimed by submitting a regular work time labor operation code as needed, documenting, and supporting the work time with proper time punches and technician notes on the RO and the claim comments.

Diagnosis Work Time Flat Rate Concept – Exclusions

If the sum of the repair order line-item fixed work times exceeds 4 hours (40 FRU)/3 Hours SP 21* (30 FRU), then the total work time needed can then be claimed using regular work time labor operation codes.

By removing the requirement for punching work time separately, this will present some challenges in determining the 4-plus hour mark. Please pay special attention while claims are being processed to look out for those cases that might be eligible for the 4-plus (3-plus SP 21*) hour work time reimbursement procedure.

Using the punches on the RO, the vehicle test, diagnosis operations report, TSARA and/or TSE communication to determine whether work time actually exceeds 4 hours/3 hours (SP 21*). The time claimed must consist of pure diagnosis time and not include any defined flat rate operation work performed fully or partially (see Procedure section of this bulletin).

***Service Pack 21 Vehicles:** F95 LCI, F96, LCI, G05 LCI, G06 LCI, G07 LCI, G60, G70, I20 and U11. SP21 Models are identified by the BCP module in the control unit tree. All other SP vehicles remain unchanged.

Non-Diagnosis Repair/Job Work Time

Work time that is needed to perform repair/job work because an established flat rate labor operation code and time allowance is not available, since this is not diagnosis work, is excluded.

All the time needed to perform the repair/job work can be claimed using an applicable regular work time labor operation code by documenting the time claimed with proper time punches and high level technician notes. If eligible, the fixed diagnosis work time flat rate can be claimed in addition.

This applies to but is not limited to the following examples:

- Repairs on ALPINA vehicles where a labor op code is not available (See B01 15 22)
- Bulletins requesting to claim a defined work time amount, for example, N63T valve stem seal replacement
- Modifying Air Flaps for ACC radar
- Cleaning Carbon Build-up
- All labor claimed using operation code 00 50 000 as result of the overlapping labor reductions
- Removing broken / rusted bolts or similar
- Repairing wiring harnesses/partial replacement of wiring harnesses

Sublet/Third-Party Repairs

When the repair portion is performed by an outside shop (claimed under sublet 03), there are two possible scenarios:

- A. If the technician first verifies and diagnoses the cause of the issue and the repair order is punched accordingly, the fixed diagnosis work time flat rate can be claimed.
- B. If the technician did not verify or diagnose the issue and the repair is handled fully and directly by the third-party (repair order line item did require a time punch), the fixed diagnosis work time flat rate cannot be claimed.

CAUSE

Some covered repairs require work time (WT) diagnosis procedures.

CORRECTION

Explain and submit for the fixed diagnosis work time FRU allowance per each qualifying RO line item as described in the PROCEDURE section.

PROCEDURE

For each qualifying claim-related RO line item, except as noted above, one of the following fixed diagnosis work time flat rate labor operations and FRU allowances can be claimed:

- **Main Labor Code 00 58 000 with a 3 FRU/5 FRUSP 21* allowance; or**
- **Plus Labor Code 00 58 500 with a 2 FRU/4 FRU SP 21* allowance.**

***Service Pack 21 Vehicles:** F95 LCI, F96, LCI, G05 LCI, G06 LCI, G07 LCI, G60, G70, I20 and U11. SP21 Models are identified by the BCP module in the control unit tree. All other SP vehicles remain unchanged.

Apply these two flat rate labor operation codes for all diagnosis time that is not specified in AIR or as stated in a bulletin.

All diagnosis flat rate labor operations with a specified FRU allowance in AIR or as stated in a bulletin can still be claimed.

Some examples:

Diagnosis claimed before July 1, 2020		Diagnosis claimed on/after July 1, 2020	
00 00 006	4 FRU (As applicable)	00 00 006	4 FRU (As applicable)
11 99 000	5 FRU (supported WT)	00 58 500	2 FRU (WT flat rate)
51 00 001	7 FRU (supported WT)	00 58 500	2 FRU (WT flat rate)
61 00 006	5 FRU (supported WT)	00 58 500	2 FRU (WT flat rate)
61 20 502	1 FRU (As applicable)	61 20 502	1 FRU (As applicable)
61 00 009	3 FRU (supported WT)	00 58 500	2 FRU (WT flat rate)

It is recommended to add the applicable flat rate codes to the repair order line items before closing the RO and transferring it to BMW, this will simplify the technician’s reimbursement.

Any step in the diagnosis process that is covered by a flat rate labor operation code, for example, remove/install seat, remove/install dash can be claimed using the proper labor operation code in addition to the diagnosis work time flat rate as long as the job procedure is necessary and fully carried out (minus overlap).

If the remove and install labor operation is only partially performed for diagnosis or repair access, the flat rate operation code can still be used to claim the work performed but the time claimed must be adjusted/reduced to the actual time needed. For example, only partially removing the carpet or only partially dropping the headliner.

Diagnosis Work Time Flat Rate Concept Guidelines

For each repair order (RO) line item with diagnosis work time (DWT) performed, in place of entering long-form comments, the technician would just simply enter:

- The two (2) character Diagnosis Category Identifier (below); and
- High-level repair notes (only state what was checked/diagnosed/repaired/replaced).

Diagnosis Category Identifiers

For standard operation vehicle test and charge battery

Diagnosis Category	DCI Code Descriptions
D1	Hook up battery charger, perform vehicle test, applicable fault found/not found (name component fault is pointing at), continued with (D3 – D9)
D2	Hook up battery charger, perform vehicle test, applicable fault found/not found (name component fault is pointing at), found applicable SIB

For claim-related repair order (RO) line items with fixed diagnosis work time flat rate.

Diagnosis Category	DCI Code Descriptions
D3	Visual diagnosis (ex: Inspected for oil leaks)
D4	Mechanical diagnosis (ex: Swap ignition coils from cylinder to cylinder)
D5	Perform test plan after vehicle test
D6	Electrical diagnosis (ex: checking resistance in wires)
D7	Noise complaint diagnosis
D8	Drivability complaint diagnosis
D9	Remove/Install component (named component) as part of diagnosis

Repair Flat Rate Guidelines and Repair Category Identifiers

Again, in place of entering long-form comments, the following list Repair Category Identifiers (one or more) can be used to document a repair. These codes can be used regardless of the amount of time (FRU) an established flat rate operation allows.

The codes listed below include all necessary steps as outlined by the associated repair instruction and/or applicable flat rate description/inclusive positions in AIR.

When using the RCI codes to document consequential repair work, the repair comments need to state the reason why the additional repair work and/or component replacement was needed.

Repair Categories Identifiers

Repair Category	RCI Code Descriptions
R1	Completed eligible Maintenance Program service task (name services).
R2	Replaced defective part (name component)
R3	Reference the SIB number and the work package (Pkg) number performed (For example: R3 B00 00 20 WP 1)
R5	Program and encode the vehicle's control units (standalone or with part replacement)
R6	Additional programming after first failed programming session
R7	Additional programming after second failed programming session
R8	Confirmed effectiveness of the repair
R0	No Problem Found (NPF)

Technician Documentation Minimum Requirements

Work Performed	Documentation requirements	Recommended Support Level
Vehicle test, charging battery faults found/not found. SIB found/Not found, no diagnosis time	D1 or D2 Diagnosis categories,	Technician performs own course of diagnosis based on experience level
Diagnosis time up to 1 hour (excluding vehicle test/charging battery and other applicable flat rate operations)	D9 Diagnosis category if applicable, Document cause	Technician performs own course of diagnosis based on experience level
Diagnosis time after 1 hour but less than 2 hours (excluding vehicle	D9 Diagnosis category if applicable, Document cause	Shop Foreman involved with repair and offers support/guidance

test/charging battery and other applicable flat rate operations)		
Diagnosis time between 2 and 4 hours (excluding vehicle test/charging battery and other applicable flat rate operations)	D9 Diagnosis category if applicable, Document cause	TSARA or TSE intervention strongly recommended
Diagnosis time to be claimed exceeds 4 hours (40 FRU) (excluding vehicle test/charging battery and other applicable flat rate operations)	D3 – D9 Diagnosis categories as applicable or high level notes on diagnosis approach, document cause – reference TSARA case or TSE intervention, if available	TSARA and/or TSE intervention recommended
Maintenance service(s)	R1 Repair category	Technician performs maintenance service(s)
Recall and Service Action	R3 Repair category	Technician performs repair(s) based on a Service Information Bulletin
Repairs - vehicle	R2, R5, R6, R7, R8 and R0 Repair categories	Repair instructions

One on/off punch per RO (no separate punches for diagnosis work time)

The diagnosis time thresholds stated above are approximated values for use in reviewing the corresponding one on/off punch time documentation that applies to a specific repair order.

DCI and High Level Technician Notes

For the information about using and entering Diagnosis Categories and High Level notes, please refer to Warranty Information section of SI B01 01 20.

PARTS INFORMATION

When applicable to the repair being performed, obtain and confirm the part numbers for your specific vehicle by entering the chassis number in either ETK or AIR which takes into account specific equipment and/or options.

Part Number	Description	Quantity
Refer to ETK	Refer to ETK	As needed

Additionally, other small parts that are not specified above, such as one-time screws, nuts and seals, which must be replaced according to the ISTA repair instructions/ETK, must be selected from the Electronic Parts Catalogue according to the respective vehicle type and invoiced under the corresponding Repair Code.

CLAIM INFORMATION

Service Pack (SP) 21 vehicles with the Basic Central Platform (BCP)

F95 LCI (MY2024)	F96 LCI (MY2024)	I20 (SOP)	G05 LCI (MY2024)	G06 LCI (MY2024)
G07 LCI (MY2023)	G09 (SOP)	U11 (SOP)	G60 (SOP)	G70 (SOP)

BMW Group’s AIR Application Resource for Flat Rate Labor Operation Codes

To obtain the corresponding flat rate unit (FRU) allowance information from the BMW Group AIR application resource, start by entering the Chassis Number (the last seven (7) characters of the VIN, select the applicable Model if two or more vehicle choices show), or enter the full VIN (17 characters), click on the “Search” button. Next, click on the “Flat Rate Units” button and enter the flat rate labor

operation code in the field to the right, click “Search” to display the Flat Rate Unit Group detail choices.

Identifying Service Pack (SP) 21 vehicles with the Basic Central Platform (BCP) in AIR

Enter flat rate labor operation code number 6135280 with no spaces, click “Search,” when AIR displays the corresponding BCP Flat Rate Unit Group details, this confirms that it applies to that vehicle.

Effective on June 1, 2023 through, and up to December 31, 2023 for SP 21/BCP Vehicles:

The fixed diagnosis FRU compensation is increased by 2 FRU for each qualifying warranty RO line item.

Also, the pure diagnosis ceiling minimum has been reduced to 3 hours from 4 hours, all the other SP vehicles remain unchanged.

****LCI:** Life Cycle Impulse - BMW mid-cycle update/face-lift model vehicles

Examples for eligible RO Repair Line Items (qualifying warranty, goodwill and/or covered CPO/ESC repairs)

Repair Code:	Refer to AIR	Refer to AIR
---------------------	---------------------	---------------------

Obtain the flat rate unit (FRU) allowances for the following that applies.

Example One

Labor Operation	Description	Labor Allowance
00 00 006	Carrying out vehicle test (Main work)	As applicable
Or:		
00 00 556	Carrying out vehicle test (Plus work)	As applicable
And:		
61 21 528	Supporting voltage of the vehicle electrical system / recharging vehicle battery	As applicable
And:		
00 58 500	Fixed Diagnosis Work Time Flat Rate (Plus work)	2 FRU/4 FRU SP 21
And:		
## ## 500	Remove/install/repair/replace and/or program (Plus or associated work)	As applicable

Example Two

Labor Operation	Description	Labor Allowance
## ## 000	Remove/install/repair or replace (Main work)	As applicable
Or:		
## ## 500	Remove/install/repair or replace (Plus work)	As applicable
And:		
00 58 500	Fixed Diagnosis Work Time Flat Rate (Plus work)	2 FRU/4 FRU SP 21

Example Three (Main work, any other line items = Plus work)

Labor Operation	Description	Labor Allowance
00 58 000	Fixed Diagnosis Work Time Flat Rate (Main work)	3 FRU

And:		
## 99 000	Remove/install/repair or replace work time, no flat rate labor operation available for this repair/job work	As applicable

Example Four (with a third-party repair)

Labor Operation	Description	Labor Allowance
00 58 000	Fixed Diagnosis Work Time Flat Rate (Main work)	3 FRU/5 FRU SP 21
Or:		
00 58 500	Fixed Diagnosis Work Time Flat Rate (Plus work)	2 FRU/4 FRU SP 21

And:

Sublet – Third-Party Repair

Sublet Code 3	\$###.00	Reimbursement for the third-party repair (after prior technician diagnosis)
----------------------	----------	---

Note: Applicable Field Authorization (FAS) requirements still apply.

FEEDBACK REGARDING THIS BULLETIN

Technical Feedback	To submit feedback for the technical topics of this bulletin: Submit your feedback in the rating box at the top of this bulletin
Warranty Feedback	To submit feedback for the CLAIMS section of this bulletin: Submit an IDS ticket to the Warranty Department, or use the chat available in the Warranty Documentation Portal
Parts Feedback	To submit feedback for the PARTS section of this bulletin: Submit an IDS ticket to the Parts Department