

MADA News

Gears Shift with Onset of Coronavirus

When stories of a new virus that shares the name of a beer came out of Asia in January, no one envisioned the havoc it would create across the globe. Fast forward two months and citizens across the world have seen their lives and livelihood completely upended.

Unfortunately, Minnesotans and our dealer community have not been immune to the disruption and destruction caused by COVID-19. But as routine activities came grinding to a halt, MADA sprang into action. Staff immediately reached out to the Walz Administration to request that motor vehicle repairs and sales be deemed “essential” if the governor were to issue a “stay-at-home” order, and we succeeded. We communicated with legislators about Driver and Vehicle Services functions that could be impacted by a shutdown. We sent a letter formally asking the MN Pollution Control Agency to hit pause on its California Car rulemaking. We beefed up our communications, sharing and interpreting news from both the federal and state governments as it happened.

Even though normal undertakings have been turned on their head, we hope these actions have helped and supported you during these unprecedented times. While our office itself is closed, MADA staff

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[Get Your Title Docs in Order](#)



MADA Launches Tools to Counter CA Cars

Despite the economic devastation the state is facing from COVID-19, the Walz Administration remains committed to adopting California’s vehicle emissions standards by the end of the year. MADA has continued to develop tools to fight the rulemaking and is pleased to announce the launch of our ‘Drive Away California Cars’ campaign.

We now have a number of resources dealers can use to engage their employees, customers, and communities in stopping the rulemaking. A website – www.DriveAwayCaCars.org – is now live and is a great place to educate the public about how the rule will increase costs and limit consumer choice. It also includes a petition against the rulemaking individuals can sign that will be delivered to

Tools to Counter CA Cars... continued on page 3

DOD Grants NADA Petition to Withdraw Interpretation of Military Lending Act

On February 28, 2020, the Department of Defense (DOD) granted a NADA petition to withdraw a problematic 2017 interpretation of the Military Lending Act (MLA). That earlier interpretation had resulted in dealerships around the country no longer offering GAP Waiver protection and other optional credit protection products to active duty service members and their dependents.

Here is a brief summary of the DOD recent action and its consequences.

- In December 2017, DOD issued an interpretation stating that, in motor vehicle sales transactions with active-duty service members and their dependents, the financing of credit-related products and services (such as premiums for GAP protection and credit insurance) along with the motor vehicle requires compliance with the MLA.
- On February 28, 2020, DOD granted the NADA petition seeking the withdrawal of this interpretation.
- In taking this action, DOD reverted back to an earlier (August 2016) interpretation it had issued that stated that, in transactions with active duty service members and their dependents involving the sale of personal property other than motor vehicles, the inclusion of cash out financing requires compliance with the MLA.
- With regard to what this now-restored interpretation could mean for motor vehicle financing transactions going forward: the financing of a motor vehicle and related items should not require compliance with the MLA. This would include both costs related to the motor vehicle and credit-related costs (but not cash out financing). NOTE: this interpretation is not binding on any court, administrative agency, or other entity that may review motor vehicle financing transactions with members of the military.



The Minnesota Automobile Dealers Association is a non-profit trade association dedicated to the progress of the retail auto industry in Minnesota.

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FAX: 651-291-2894 • Web site: <http://www.mada.org>

Gears Shift... *continued from cover*

is available daily to assist you as you confront issues caused by COVID-19. Please reach out to us if you have concerns or questions.

And if you need to find up-to-date information on federal emergency paid leave mandates, guidance on the Payroll Protection Program loans and executive orders, and other COVID-19 related matters, please check our COVID landing page:

<http://www.mada.org/legal-resources/COVID>. It includes guidance issued by the federal and state government as it becomes available.

Title & Reg News

Upcoming Title Process Changes with the Launch of MNDRIVE

With the launch of MNDRIVE and its dealer e-Services portal in November, there will be some changes that may impact your dealership.

As part of the new process, finance managers will be responsible for creating a Minnesota Title Application and 21-day Permit within e-Services. In order to generate the Title Application for used vehicles, information from the previous ownership document is required including both the title state and the title number.

To get ahead of this, we are suggesting that dealerships start keeping copies of all title documents in the deal jackets. This best practice will allow your finance department access to the information that will be required when signing out a customer, yet will keep in line with the title security measures you may already have in place.

If you have any questions, please contact Aly Quinn at 651-789-2935 or aly@mada.org.

Insurance News

MADA Insurance, Inc. Welcomes Medica!

The MADA Insurance Board of Directors has chosen to accept Medica's Association Health Plan (AHP) developed for members of the Minnesota Automobile Dealers Association (MADA). The MADA Medica AHP is comprised of six plans. The plans go into effect July 1, 2020. The Medica plans are more comprehensive, and the rates for the entire pool of current participants are lower than what Blue Cross Blue Shield (BCBS) offered.

The Medica plans are being offered on Medica's nation-wide open access network, the Medica Choice Passport network. Additionally, all six health plans are being offered on Medica's Accountable Care Organizations (ACO) networks. The ACO networks are smaller than the Passport network and the premiums are less for ACO coverage.

If your dealership already participates in the MADA BCBS health plans, your renewal packet will be

sent to you by the end of April. The renewal packet will include details on the transition from BCBS coverage to Medica coverage. All dealerships are eligible to receive a quote, even dealerships which left the MADA BCBS plan within the past three years.

Even dealerships which left the MADA BCBS plan within the past three years are eligible to receive a quote.

Please contact Sue Fluegel via email at sue@mada.org or phone at 651-789-2937 to discuss the quote process and AHP offerings.

The health coverage offered through MADA and Medica is currently under review and is pending regulatory approval in May. For additional details on the Medica AHP for MADA, please visit <http://mada.welcometomedica.com/home>.

Tools to Counter CA Cars... *continued from cover*

the Administration as part of the official hearing process. We will also post information on upcoming events and recent news articles related to the issue.

In addition, we have printed brochures that dealers can display and distribute in their stores. Look for a sample in your mailbox soon and an order form soliciting quantities. Of course, we

will be also be sharing information via social media. Please like and share our Facebook page /DriveAwayCaCars and follow us on Twitter: @DriveAwayCaCars. And if you have local chambers or service organizations that you think would want to hear a presentation on the issue, please reach out to MADA VP of Public Affairs Amber Backhaus at 651-789-2949 or amber@mada.org.

DURING THIS EXTRAORDINARY TIME IN OUR HISTORY, WE ARE ALL WORKING TO REACT APPROPRIATE TO EVENTS AND CONCERNS AROUND COVID-19. MADA IS COMMITTED TO OFFERING YOUR DEALERSHIP THE RESOURCES NEEDED TO SUCCESSFULLY NAVIGATE AND RESPOND TO THIS SITUATION.

THESE VIRTUAL, TIMELY AND INFORMATIVE WEBINARS ARE AVAILABLE AT NO COST TO YOU.

COVID-19 WEBINARS

STAYING CONNECTED TO YOUR CANDIDATES & EMPLOYEES DURING UNCERTAIN TIMES

With so many things out of your control and uncertainty about what lies ahead, it's hard to know exactly where to focus your time and energy right now. Yet, the one core part of your business that remains entirely in your control is your people operations. In this webinar, you will learn how to connect and support the most important part of your business in uncertain times.

Presented by Hireology

Thursday, May 7, 2020 | 10:00 a.m. | WEBINAR

LEGAL AND REGULATORY IMPLICATIONS OF ONLINE SALES- WHAT DEALERS NEED TO KNOW

In today's world, online sales and remote deliveries have taken on a vital new importance for many dealers, and whether you are new to online sales or have been doing them for years, there are several critical issues to consider and pitfalls to avoid. The webinar discusses important legal and regulatory issues and concerns dealers must know to stay compliant in this new atmosphere.

Presented by NADA

RECORDING AVAILABLE

MANAGING SERVICE OPERATIONS: MAKING IT THROUGH THE COVID-19 PANDEMIC

This webinar includes best practices for keeping your employees and customers safe and an opportunity to keep your business open.

Presented by NADA

RECORDING AVAILABLE

BUILD A 60-DAY PROFIT PROTECTION PLAN

Learn how to build a 60-day profit protection plan using benchmarking. This webinar will illustrate that by having the right data to benchmark, you will speed up the process to save 25% or more in the short and long term.

Presented by NADA

RECORDING AVAILABLE

KEEPING THE WHEEL TURNING IN THE ACCOUNTING OFFICE WITH A REMOTE WORKFORCE

NADA Academy instructors discuss ways to keep your accounting office running smoothly with most or all of your staff working remotely or on staggered shifts. They will share information on maintaining financial integrity and cash flow, along with daily, weekly and monthly processes to ensure your back-office procedures continue without interruption.

Presented by NADA

RECORDING AVAILABLE

PROTECTING YOUR DEALERSHIP'S EMPLOYEES FROM ILLNESSES AND STAYING OSHA, ADA, FMLA COMPLIANT

This webinar discusses what your dealership can do to protect your employees from illnesses, while staying compliant.

Presented by Comply Net

RECORDING AVAILABLE

DIGITAL RETAILING DISRUPTION – THE DEALER PERSPECTIVE

NADA Academy instructors discuss the results of a Digital Retailing Dealer Survey and provide examples of adjustments to the sales process to be more customer and employee – centric.

Presented by NADA

RECORDING AVAILABLE



When you utilize MADA Education and Training, you are investing in your dealership's success AND your industry's success!

We offer trusted, comprehensive, and topical educational opportunities that serve to improve dealership operations. Each course is designed to provide solutions and empower your staff to successfully manage the evolving situations that your dealership faces.

The revenue generated from MADA's training program is reallocated to legislative efforts at the Capitol, your legal counsel, and to fund the activities that strengthen our representation of YOU!

Minnesota Auto Outlook

Released by:
Minnesota Automobile
Dealers Association

Covering the Minnesota automotive market

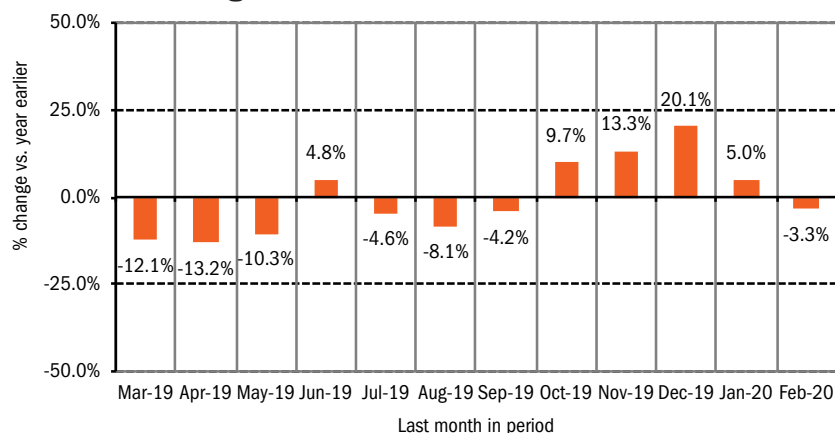
Data thru February 2020

Minnesota New Retail Car and Light Truck Registrations

	Most Recent Two Months			YTD Market Share		
	1/19 and 2/19	1/20 and 2/20	% change	2019	2020	change
Industry Total	40,209	37,879	-5.8%			
Cars	6,674	4,709	-29.4%	16.6	12.4	-4.2
Light Trucks	33,535	33,170	-1.1%	83.4	87.6	4.2

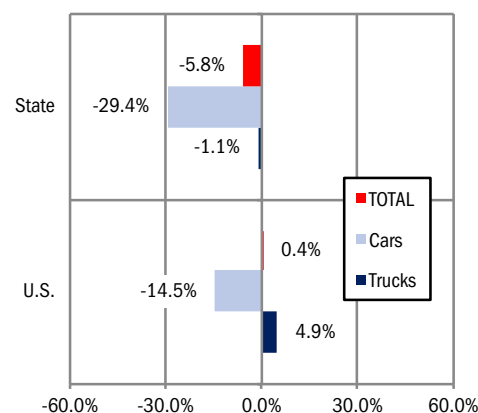
Data Source: AutoCount data from Experian.

Percent Change in Three Month Moving Average of New Retail Registrations versus Same Period Year Earlier



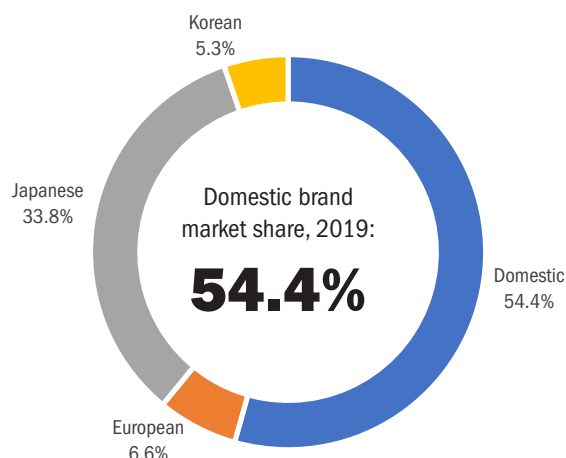
The graph above provides a clear picture of the trending direction of the state market. It shows the year-over-year percent change in the three month moving average of new retail light vehicle registrations. The three month moving average is less erratic than monthly registrations, which can fluctuate due to such factors as the timing of manufacturer incentive programs, weather and title processing delays by governmental agencies. Data Source: AutoCount data from Experian.

Percent Change in State and U.S. New Retail Light Vehicle Markets YTD 2020 thru Feb. vs. YTD 2019

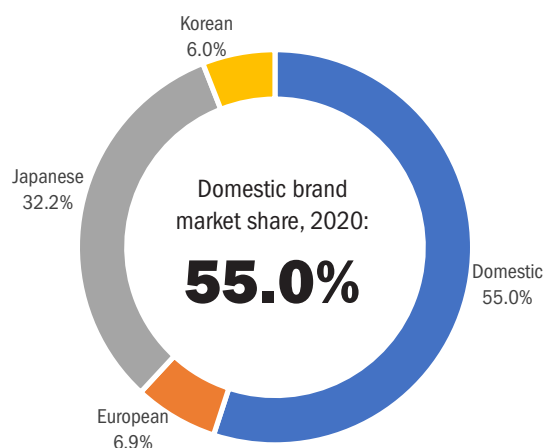


The graph above compares the change in new retail car and light truck registrations in both the state and U.S. markets. U.S. figures were estimated by Auto Outlook. Data Source: AutoCount data from Experian.

Japanese, Domestic, European, and Korean Brand Market Shares in State - YTD '19 thru Feb.



Japanese, Domestic, European, and Korean Brand Market Shares in State - YTD '20 thru Feb



Data Source: AutoCount data from Experian.

Data Information

Data presented in Auto Outlook measures new retail vehicle registrations in Minnesota. Monthly recording of registrations occurs when vehicle title information is processed, which may differ from date of sale. Title recording can occasionally be subject to processing delays by governmental agencies. For this reason, the year-to-date figures will typically be more reflective of market results Data Source: Sales figures presented in this release are thru February, and were largely unaffected by consequences resulting from the COVID-19 pandemic. Reports released in April will provide detailed tracking of how the state market has been impacted, and expectations for the ensuing market recovery.

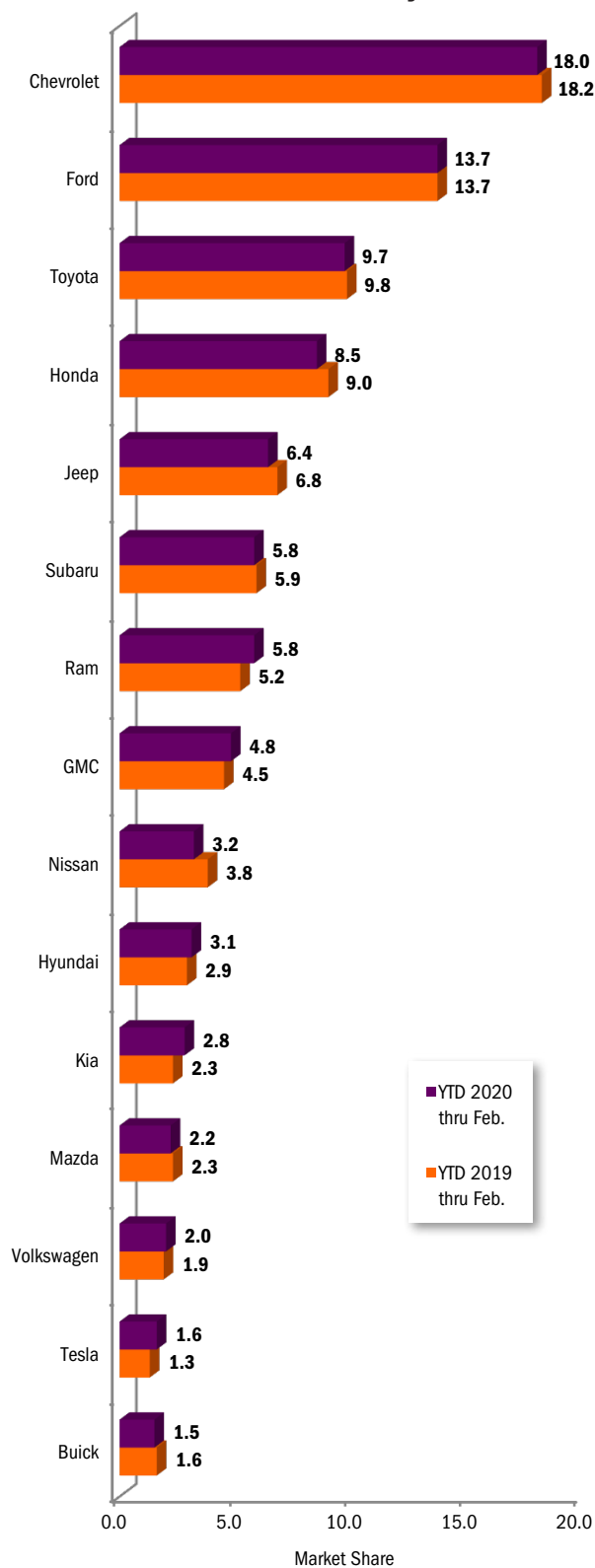
Minnesota New Retail Light Vehicle Registrations					
	Registrations			Market share	
	YTD 2019	YTD 2020	% change	YTD 2019	YTD 2020
	thru Feb.	thru Feb.		thru Feb.	thru Feb.
Acura	261	237	-9%	0.6%	0.6%
Alfa Romeo	27	21	-22%	0.1%	0.1%
Audi	512	518	1%	1.3%	1.4%
BMW	548	546	0%	1.4%	1.4%
Buick	663	572	-14%	1.6%	1.5%
Cadillac	239	267	12%	0.6%	0.7%
Chevrolet	7,313	6,810	-7%	18.2%	18.0%
Chrysler	297	264	-11%	0.7%	0.7%
Dodge	499	470	-6%	1.2%	1.2%
FIAT	10	5	-50%	0.0%	0.0%
Ford	5,521	5,206	-6%	13.7%	13.7%
Genesis	13	15	15%	0.0%	0.0%
GMC	1,800	1,828	2%	4.5%	4.8%
Honda	3,612	3,204	-11%	9.0%	8.5%
Hyundai	1,179	1,185	1%	2.9%	3.1%
Infiniti	150	82	-45%	0.4%	0.2%
Jaguar	31	24	-23%	0.1%	0.1%
Jeep	2,746	2,414	-12%	6.8%	6.4%
Kia	927	1,055	14%	2.3%	2.8%
Land Rover	94	89	-5%	0.2%	0.2%
Lexus	439	460	5%	1.1%	1.2%
Lincoln	182	219	20%	0.5%	0.6%
Maserati	8	8	0%	0.0%	0.0%
Mazda	933	842	-10%	2.3%	2.2%
Mercedes	324	300	-7%	0.8%	0.8%
MINI	55	34	-38%	0.1%	0.1%
Mitsubishi	374	253	-32%	0.9%	0.7%
Nissan	1,518	1,220	-20%	3.8%	3.2%
Other	7	14	100%	0.0%	0.0%
Porsche	50	34	-32%	0.1%	0.1%
Ram	2,086	2,189	5%	5.2%	5.8%
Subaru	2,368	2,202	-7%	5.9%	5.8%
Tesla	515	607	18%	1.3%	1.6%
Toyota	3,926	3,680	-6%	9.8%	9.7%
Volkswagen	780	755	-3%	1.9%	2.0%
Volvo	202	250	24%	0.5%	0.7%

Top ten ranked brands in each percent change category are shaded gray.
Data Source: AutoCount data from Experian.

This report is sponsored by the Minnesota Automobile Dealers Association and produced by Auto Outlook (610-640-1233). Any material quoted must be attributed to Minnesota Auto Outlook, published by Auto Outlook, Inc. on behalf of MADA. Data source must also be shown as "Data Source: AutoCount Data from Experian." Please contact the Association with any questions or comments regarding the publication.

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State Market Share for Top 15 Selling Brands
YTD 2020 thru February vs. YTD 2019



Data Source: AutoCount data from Experian.



Services News

MADA Services Pivots to COVID Protection Products

In response to COVID-19, MADA Services has been working diligently to source products to keep dealership employees and customers safe during this pandemic. We are pleased to offer a number of new items to ensure dealerships can meet CDC guidelines as they provide sales and service.

New products to offer your customers peace of mind include:

- acrylic barriers;
- seat, steering wheel, and gear shift covers;
- social-distancing floor decals; and
- interior sanitizing cleaner.

Contact your MADA Services sales representative or e-mail services@mada.org to learn more about these products and other offerings now available.

MADA Minnesota Automobile Dealers Association Endorsed Service & Vendors

Check Guarantee/Credit Card Processing
FIS / Certegy

Dealer Bond Program
Ensure Agency

Disability Income Insurance & Section 125 Cafeteria Plans
American Fidelity Assurance

Employee Placement
Hireology

F&I Products
Protective

Fleet Fueling Program
Speedway

Group Health Insurance
Blue Cross Blue Shield of MN
Delta Dental
Voya Life

Hole-In-One Insurance
Hole-In-One-USA

Office Supplies
Innovative Office Solutions

Online Marketing Services
Conversica
Dealer 1-2-1 / JMG Marketing
LotLinx
PureInfluencer

OSHA, EPA & DOT Compliance/Training
ComplyNet Corporation

Pre-Paid Legal, Jim Gavin
Identity Theft Shield &
Pre-Paid Legal Services

Titling and Registration Services
Vitu Interstate

Uniforms and Linen Services
AmeriPride Linen & Apparel Services

Warranty Reimbursement
Bellavia Blatt

Workers Compensation
Ensure Agency

MADA Services Incorporated

MADA Services sells a wide variety of products directly to the dealers including business forms, clothing and promotional items. For a full review of options, contact your sales representative at 651-291-2400 or go to www.mada.org.



MADA NEWS ▪ APRIL 2020

FAQ

Q: Can I conduct the sale of a vehicle completely through electronic means?

A: Almost. Purchase agreements, RISCs, and most other contractual documentation can be signed electronically. Unfortunately, the forms mandated by the state still require a “wet” signature. These forms include the title application (PS2000 form), secured power of attorney, and reassignment form (“blue form”) or original title.



HAS THE PRODUCTS YOU NEED TO KEEP YOUR EMPLOYEES AND CUSTOMERS SAFE

From seat covers to acrylic barriers, call on MADA Services to find the items you need to sanitize your vehicles and and your dealership.



Floor Decals



Acrylic Barriers



Hang Tags

TO ORDER, CONTACT YOUR SALES REP
OR EMAIL SERVICES@MADA.ORG

MADA ASSOCIATION HEALTH PLAN

Frequently Asked Questions

About Medica

As a Minnesota based not-for-profit health plan with over 45 years of experience, Medica is proud to be recognized as the trusted health plan of choice to the nearly one million members in throughout Minnesota, Iowa, Kansas, Missouri, Nebraska, North Dakota, Oklahoma, South Dakota and Wisconsin.

Medica has a long-standing history of offering innovative solutions and partnering with providers to deliver cost saving network solutions such as our accountable care organizations (ACOs). In 2012, Medica was the first health plan in the country to align with a major health care system in the development of an ACO, a first step toward the reengineering of provider collaboration and health care delivery. Today, Medica continues to transform health care delivery through collaboration with leading care systems.

Request a proposal

You will need to submit the following information for a proposal.

Groups with less than 5 enrolled employees

- Complete Association Health Plan (AHP) Employer Participation Form
- Send census in requested format
- Provide health history forms for all eligible employees
- Provide current summaries of benefits and coverage (SBCs)
- Provide current rates by plan design

Groups with 5 or more enrolled employees and less than 50 eligible employees

- Complete AHP Employer Participation Form
- Send census in requested format
- Provide current summaries of benefits and coverage (SBCs)
- Provide current rates by plan design

Groups with more than 50 eligible employees

- Complete AHP Employer Participation Form
- Send census in requested format
- Provide current summaries of benefits and coverage (SBCs)
- Provide most recent 12 months of claims data. Include monthly breakout with total membership and high claimant information if available.
- Current fully insured rates or self-funded claim factors by plan

Plan design and network combinations

Plan design and network combinations are available based on the group size:

- **Groups with less than 5 enrolled employees** - one plan and one network.
- **Groups with 6 to 20 enrolled employees** - a combination of no more than 6 plans and networks.
- **Groups with more than 20 enrolled employees** - a combination of up to 12 plans and networks.



Available plan designs

Plan	Deductible (per person/per family)	Out-of-pocket Maximum (per person/per family)	Copay	Coinsurance
Preferred Provider Organization (PPO)				
Plan 1	\$300/\$900	\$3,000/\$5,000	\$20	80%
Plan 2	\$1,000/\$3,000	\$3,500/\$7,000	\$30	80%
Plan 3	\$1,500/\$4,500	\$6,500/\$9,000	\$30	70%
High Deductible Health Plan (HDHP) with Health Savings Account (HSA)				
Plan 4	\$2,000/\$4,000	\$2,000/\$4,000	NA	100%
High Deductible Health Plan (HDHP) with Health Reimbursement Account (HRA)				
Plan 5	\$4,000/\$8,000	\$7,900/\$15,800	NA	70%
High Deductible Health Plan (HDHP) with Health Savings Account (HSA)				
Plan 6	\$4,500/\$9,000	\$6,000/\$13,000	NA	80%

Available networks

Medica Choice Passport (PPO)

Medica Choice Passport is one of the largest open access networks in the country with more than 900,000 physicians and more than 5,600 hospitals. With Medica Choice Passport, you receive the benefit of 100% of the negotiated provider discounts with no provider withhold.

Accountable Care Organizations (ACO)

Medica ACOs offer Minnesota Auto Dealers Association (MADA) members a compelling combination of cost savings, high clinical quality, outstanding care coordination, and consumer experience that yields satisfaction.

- ***Altru & You with MedicaSM*** provides access to more than 40 primary care clinics and 17 hospitals in northeastern North Dakota and northwestern Minnesota.
- ***Essentia Choice Care with MedicaSM*** provides access to 26 hospitals, over 70 clinics and more than 2,300 physicians and advanced practitioners in northern Minnesota, southeastern North Dakota and northern Wisconsin.
- ***Medica CompleteHealthSM*** (featuring care at Mayo Clinic) provides access to nearly 20 hospitals and 60 clinics in southern Minnesota and western Wisconsin. Providers include Mayo Clinic Health System locations in Minnesota and Wisconsin, Employee and Community Health at Mayo Clinic in Rochester and Kasson, Northfield Hospital & Clinics and Winona Health.
- ***Park Nicollet First with MedicaSM*** is built on the strength of one of the nation's largest multi-specialty clinics, providing members with direct access to over 20 neighborhood clinics and more than 55 medical specialties.
- ***Ridgeview Community Network powered by MedicaSM*** provides local, personalized care at one of the few independent health care systems in Minnesota. More than 300 physicians and 2,000 medical and support staff deliver coordinated care locally within 40 primary care clinics and more than 150 specialty care clinics throughout a seven-county metro area.
- ***VantagePlus with MedicaSM*** includes more than 4,400 providers, 655 clinics and 12 hospitals with health care providers you know and trust from M Health Fairview (the new name representing all of Fairview and HealthEast), the majority of University of Minnesota Physicians sites, North Memorial Health and many popular independent clinics.

For more information about your plan and network options, visit WelcomeToMedica.com/MADA.