Auto Physical Damage

Battery Electric Vehicle Collision Claims Continue to Rise Despite Sales Slowdown

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3 MIN READ

Claims frequency for repairable battery electric vehicles has jumped 45% in the U.S. and 39% in Canada year-over-year while increasing more gradually for hybrids.

SAN DIEGO, Calif.—Mitchell, an Enlyte company and leading technology and information provider for the Property & Casualty (P&C) claims and Collision Repair industries, today published its Q2 2024 Plugged-In: EV Collision Insights report. This edition features the latest U.S. and Canadian claims data on battery electric vehicles (BEVs), mild hybrid electric vehicles (MHEVs) and plug-in hybrid electric vehicles (PHEVs)—highlighting how differences in their complexity and construction are affecting claim costs and repair operations.

“Although BEV sales have slowed in 2024, sales of mild and plug-in hybrid automobiles remain strong,” said Ryan Mandell, Mitchell’s director of claims performance. “Like BEVs, these vehicles can be costlier to repair after a collision when compared to their internal combustion engine, or ICE, counterparts. However, with both an ICE and small electric battery, mild hybrids are remarkably similar to gasoline-only powered automobiles when it comes to claims severity.”

In Q2 2024, average claims severity for repairable MHEVs was $4,726 in the U.S. and $5,302 in Canada. For vehicles with an ICE, it was $4,806 in the U.S. and $4,958 in Canada, a difference of $80 and $344, respectively. Since PHEVs rely on a larger, high-voltage battery in addition to a secondary ICE, their average severity is more closely aligned to BEVs at $5,059 versus $5,753 in the U.S. and $5,665 versus $6,534 in Canada.

Other notable findings in this quarter’s report include:

- **Total Loss Frequency:** The total loss frequency of BEVs and 2021 and newer gasoline-powered vehicles—which are comparable in their complexity and cost to repair—remains similar at 9.16% for BEVs in the U.S. versus 9.45% for ICE automobiles and 7.24% versus 8.52% respectively in Canada.
- **Repair Operations:** Although BEV collision-damage estimates have a higher average number of mechanical labor hours than ICE appraisals (5.21% compared to 8.18%), they are less likely to include frame labor. Frame labor is added when technicians use a hydraulic frame machine to straighten both full ladder frame components and unibody structures. The lack of this labor type on BEV estimates could mean that their design is more effective at preventing crash energy from damaging the vehicle’s structural

components.
- **Parts Utilization:** OEM parts continue to be used more frequently in the repair of BEVs, with 89% of the parts dollars on estimates for repairable BEVs being OEM parts as compared to 65% for ICE automobiles.

To download the Q2 2024 report, visit the Mitchell website. You can also subscribe to future issues or find previous reports online at www.mitchell.com/plugged-in.

About Mitchell International

Headquartered in San Diego, Calif., Mitchell International, Inc. delivers smart technology solutions and services to the auto insurance, collision repair, disability and workers' compensation industries. Through deep industry expertise, connections throughout the insurance ecosystem and advanced technology such as artificial intelligence and cloud-based solutions, Mitchell helps its customers and clients to succeed in today's ever-changing environment. Each month, Mitchell processes tens of millions of transactions for more than 300 insurance providers, 20,000 collision repair facilities and 70,000 pharmacies. Its comprehensive solution and service portfolio empowers clients to restore lives after a challenging event.

Mitchell, Genex and Coventry have aligned their joint industry expertise and advanced technology solutions to form Enlyte, a parent brand with nearly 6,000 associates committed to simplifying and optimizing property, casualty and disability claims processes and services.

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