



Australian Government

FNSILF402 Settle policy payments and terminations

Release: 1

FNSILF402 Settle policy payments and terminations

Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 1.0.

Application

This unit describes the skills and knowledge required to settle payments and terminations on life insurance policies.

It applies to job roles within the specialist area of life insurance and may be applied within organisations of various sizes and across a range of customer bases.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. Refer to the FNS Implementation Guide Companion Volume or the relevant regulator for specific guidance on requirements.

Unit Sector

Life insurance

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Establish validation criteria	1.1 Identify product type to determine payment criteria and facilitate processing of payment or termination 1.2 Establish payment criteria to ensure compliance with terms and conditions of contract
2. Compile necessary documentation	2.1 Classify requests according to established payment criteria and obtain required evidence from appropriate parties to confirm that request complies with terms and conditions of policy 2.2 Complete and distribute forms and documents in accordance with legislation, and organisational policy and procedures
3. Advise client of the	3.1 Identify consequences relevant to policy type

ELEMENT	PERFORMANCE CRITERIA
consequences of processing settlement	3.2 Communicate information clearly and concisely to ensure client understands consequences 3.3 Record and file result of communication according to organisational procedures to ensure record is complete
4. Assign validity of request	4.1 Validate request within limits of delegated authority 4.2 Communicate decision to proceed with payment or termination of contract to relevant parties
5. Review evidence available in support of payment request	5.1 Establish payment criteria to enable compliance to be determined within terms and conditions of policy, legislation and regulations 5.2 Review available information on payment request against criteria to ensure compliance 5.3 Assess request to determine whether terms and conditions of policy have been met 5.4 Seek additional opinion from relevant parties on validity of request
6. Establish liability for payment under policy	6.1 Identify liability in accordance with terms and conditions of policy 6.2 Review evidence against policy to determine benefits payable 6.3 Accurately calculate and cross-check benefits payable according to organisational procedures 6.4 Update register and record payment liability and, if appropriate, initiate reinsurance recovery
7. Facilitate payment where required and communicate decision	7.1 Promptly advise all relevant parties of decision on liability 7.2 Identify level of payment authority from organisational standards and procedures 7.3 Check that payment details are within delegated authority and compliant with legislative and organisational requirements 7.4 Confirm authorisation and obtain discharge as appropriate

Foundation Skills

This section describes language, literacy, numeracy and employment skills incorporated in the performance criteria that are required for competent performance.

Skill	Performance Criteria	Description
Reading	1.1, 1.2, 2.1, 2.2, 3.1, 5.1-5.3, 6.1-6.3, 7.2, 7.3	Gathers, analyses and interprets simple to complex information from a range of sources to establish requirements
Writing	2.2, 3.2, 3.3, 4.2, 5.4, 6.4, 7.1, 7.4	Produces texts of varying complexity using appropriate language, grammar and logical sequence to convey information accurately and effectively
Oral Communication	2.1, 3.2, 4.2, 5.4, 7.1, 7.4	- Provides information using clear, specific and technically correct language - Uses active listening and questioning techniques to confirm understanding of requirements
Numeracy	5.2, 6.3	Performs basic mathematical calculations to achieve outcomes
Navigate the world of work	1.2, 2.2, 3.3, 4.1, 5.1, 6.1, 6.3, 7.2-7.4	Recognises and follows legislative requirements, explicit and implicit protocols, policies and procedures, and meets expectations associated with own role
Interact with others	2.1, 2.2, 5.4, 7.1	- Selects and uses appropriate communication conventions and protocols to liaise with others - Adjusts personal communication style in response to the values, beliefs and cultural expectations of others
Get the work done	1.1, 1.2, 2.1, 2.2, 3.1, 3.3, 4.1, 5.1-5.4, 6.1-6.4, 7.2-7.4	- Plans and sequences a range of routine and non-routine tasks according to organisational requirements, aiming to achieve defined goals efficiently - Uses digital technologies and systems to locate information, enter and store data

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSILF402 Settle policy payments and terminations	FNSILF402A Settle policy payments and terminations	Updated to meet Standards for Training Packages. Minor edits to clarify intent of elements.	Equivalent unit

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>

Assessment Requirements for FNSILF402 Settle policy payments and terminations

Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 1.0.

Performance Evidence

Evidence of the ability to:

- distinguish between different life insurance product types to classify requests and determine payment types
- review entitlements and conditions to be met and complied with, to approve payments within level of authority
- calculate benefits payable in accordance with life insurance policy guidelines
- review life insurance policies to determine payments or terminations.

Note: If a specific volume or frequency is not stated, then evidence must be provided at least once.

Knowledge Evidence

To complete the unit requirements safely and effectively, the individual must:

- explain key features of organisation policy, procedures, guidelines and authorities relevant to policy payments and terminations
- outline the industry sector compliance requirements including the Australian Securities and Investments Commission (ASIC), Australian Prudential Regulation Authority (APRA) and Life Insurance Act
- outline the industry sector product terms and conditions
- outline relevant medical terminology to assess claims
- describe a range of situations that can impact on benefits payable
- explain key underwriting principles relevant to life insurance policies.

Assessment Conditions

Assessment must be conducted in a safe environment where evidence gathered demonstrates consistent performance of typical activities experienced in the life insurance field of work and include access to:

- office equipment, technology, software and consumables
- organisational records, policy and procedures.

Assessors must satisfy NVR/AQTF assessor requirements.

Links

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