



Australian Government

FNSILF502 Underwrite complex medical risks

Release: 1

FNSILF502 Underwrite complex medical risks

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 apply complex medical risk assessments to the underwriting of a life insurance application.

It applies to individuals who use specialised knowledge to determine risk and make decisions, within a level of delegated authority, about complex underwriting functions.

No licensing, legislative or certification requirements apply to this unit at the time of publication.

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. Identify medical risks	1.1 Review applications and associated documentation to identify relevant medical information 1.2 Interpret medical information to identify medical risk factors 1.3 Review need for additional medical information and collect as appropriate
2. Identify underwriting significance	2.1 Identify potential life risk implications of supplied medical information according to organisational requirements 2.2 Determine interrelationships between medical conditions and identify medical risk factor implications 2.3 Identify long-term risk implications of medical treatment and recovery processes

ELEMENT	PERFORMANCE CRITERIA
	2.4 Select and apply appropriate medical risk rating systems and risk handling techniques
3. Determine risk acceptance criteria	3.1 Identify risk acceptance criteria to suit type and context of risk in accordance with procedures 3.2 Assess adequacy of medical information against risk acceptance criteria in accordance with procedures 3.3 Consult with relevant personnel within organisation where clarification is sought on adequacy of medical information provided
4. Prepare life insurance policy	4.1 Develop terms of acceptance in accordance with market conditions and accepted levels of exposure 4.2 Document life insurance policy with terms and conditions in accordance with procedures and regulatory requirements

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	1.1-1.3, 2.1-2.4, 3.1, 3.2	Gathers, analyses, interprets and validates information of varying complexity from a range of sources and establishes required information
Writing	1.3, 4.1, 4.2	- Produces, edits and proofreads documents to ensure clarity of meaning, and accuracy and consistency of information - Accurately records and completes organisational documents using clear language and correct spelling, grammar and terminology
Oral Communication	1.3, 3.3	- Uses appropriate language and style to collect complex technical information - Uses techniques including active listening, use of open-ended questioning and paraphrasing to confirm understanding
Numeracy	2.4, 4.1	Uses mathematical equations to perform calculations to achieve desired outcomes
Navigate the	3.1, 3.2, 3.3, 4.1, 4.2	Recognises and follows legislative requirements, and

world of work		explicit and implicit protocols, policies and procedures • Maintains knowledge of market trends and regulations necessary to perform own role
Interact with others	1.3, 3.3	• Uses appropriate communication protocols and practices to liaise with others to elicit and share information
Get the work done	1.1-1.3, 2.1-2.4, 3.1, 3.2, 4.1, 4.2	• Takes responsibility for planning, sequencing and prioritising tasks and own workload for efficiency and effectiveness • Applies systematic and analytical processes in complex or non-routine situations to make decisions about medical risk levels • Uses the main features and functions of digital tools to complete work tasks

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSILF502 Underwrite complex medical risks	FNSILF502A Underwrite complex medical risks	Updated to meet Standards for Training Packages. Minor edits to clarify intent of performance criteria.	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 FNSILF502 Underwrite complex medical risks

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:

- prepare and document a life insurance policy that involves complex medical risk covering:
 - identification of medical risk factors, and application of appropriate medical risks rating systems and techniques for underwriting the risk
 - terms and conditions relevant to underwriting complex medical risks.

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 life insurance policy terms and conditions
- explain life insurance risk management practices
- describe relevant medical techniques, diseases, injuries and terminology relative to insurance underwriting
- list types of medical risk and the implications for underwriting medical risks
- identify relevant standards or codes to be complied with
- identify relevant actuarial, underwriting and medical information relevant to underwriting complex medical risks
- outline the key administrative requirements and relevant organisational procedures in underwriting complex medical risks
- outline medical risk ratings systems and appropriate risk handling techniques to mitigate risk
- outline risk acceptance criteria for different types and contexts of complex medical risks.

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

Companion Volume implementation guides are found in VETNet -

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