



Australian Government

FNSILF512 Underwrite complex risks

Release: 1

FNSILF512 Underwrite complex risks

Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 7.0. Supersedes and is not equivalent to FNSILF502 Underwrite complex medical risks. Minor changes to title, application and elements. Significant rewording of performance criteria. Performance evidence and knowledge evidence updated to clarify intent. Updates to assessment conditions as interaction with others not required.

Application

This unit describes the skills and knowledge required to apply complex risk assessments to the underwriting of a life insurance application.

The unit applies to individuals who use specialised knowledge to assess risk and make decisions, within the level of delegated authority in the life insurance industry.

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 complex risks in a life insurance application	1.1 Review applications and associated documentation and identify required information 1.2 Interpret information and identify complex risk factors 1.3 Review need for additional information and collect supporting documents
2. Assess level of risk	2.1 Identify potential life insurance risk implications of supplied

ELEMENT	PERFORMANCE CRITERIA
	information 2.2 Determine medical risk factor implications of comorbidities 2.3 Determine financial risk factor implications 2.4 Determine occupational, avocational and other risk factors presented 2.5 Select and apply required risk-assessment criteria and risk-handling techniques 2.6 Confirm application of risk-assessment criteria with persons of authority
3. Determine and advise terms and conditions of risk acceptability	3.1 Assess acceptability of risk against all available information according to underwriting guidelines 3.2 Document assessment rationale according to organisational policies and procedures 3.3 Establish terms and conditions that minimise risk liability, within delegated authority and in line with codes of ethics and professional practice 3.4 Advise required parties of application outcome and communicate next steps, according to legislative and regulatory requirements

Foundation Skills

This section describes those language, literacy, numeracy and employment skills that are essential to performance but not explicit in the performance criteria.

Skill	Description
Numeracy	Interprets numerical data and relevant statistics relating to financial information being assessed
Oral communication	- Uses appropriate language and style and communication protocols to liaise with others to collect often complex technical information - Uses techniques including active listening, open-ended questioning and paraphrasing to confirm understanding
Reading	Gathers, analyses and interprets information from a range of sources to identify and consolidate information relevant to requirements
Writing	- Records and completes routine organisational texts using structure, grammar and vocabulary appropriate to task and context - Edits and proofreads documents to ensure clarity of meaning,

Skill	Description
	accuracy and consistency of information
Planning and organising	• Takes responsibility for planning, sequencing and prioritising tasks and own workload for efficiency and effectiveness • Applies systematic and analytical processes in routine and non-routine situations
Self-management	• Follows legislative requirements; and protocols, policies and procedures • Maintains knowledge of regulations necessary to perform own role
Technology	• Uses key features and functions of digital tools to complete work tasks

Unit Mapping Information

Supersedes and is not equivalent to FNSILF502 Underwrite complex medical risks.

Links

Companion Volume Implementation Guide is found on VETNet - -

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

Assessment Requirements for FNSILF512 Underwrite complex risks

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Performance Evidence

The candidate must demonstrate the ability to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including evidence of the ability to:

- underwrite three different life insurance applications, each with different complex risks.

Knowledge Evidence

The candidate must be able to demonstrate knowledge to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including knowledge of:

- types of complex risk factors and their implications for life insurance, including:
 - multiple medical risk factors, including comorbidities
 - financial accounts with multiple entities
 - multiple occupational risk factors
- organisational policies and procedures relating to underwriting complex risks, including risk-assessment criteria
- legislative requirements, underwriting guidelines and code of professional practice relating to underwriting complex risks
- life insurance:
 - policy terms and conditions
 - risk-management practices
- types of:

- medical procedures, diseases, injuries and terminology relating to life insurance underwriting
- medical risks relating to life insurance underwriting
- financial risks relating to life insurance underwriting
- occupational risks relating to life insurance underwriting
- actuarial data and medical information required to underwrite complex medical risks
- key implications of underwriting risks for a life insurance organisation
- risk-acceptance criteria for different types and contexts of complex risks
- risk-handling techniques used to mitigate risk used in life insurance underwriting
- ethical risk factors and related implications for underwriting complex risks
- sources of financial and lifestyle information relating to underwriting complex risks
- terms and conditions that minimise risk liability
- key methods and rationales used in assessing acceptability of risk.

Assessment Conditions

Skills in this unit must be demonstrated in a workplace or simulated environment where the conditions are typical of those in a working environment in this industry.

This includes access to:

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

Assessors of this unit must satisfy the requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards.

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