



Australian Government

FNSISV514 Review and update claim reserves in portfolio

Release: 1

FNSISV514 Review and update claim reserves in portfolio

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 review and update insurance claims reserves in a portfolio to minimise losses. It encompasses identifying and analysing claims, reserves trends data, legislation and regulations, reports and related documents, monitoring funds, interpreting the results and reporting on the findings to minimise losses.

It applies to individuals working in claims management job roles involving specialist knowledge and functions in a range of insurance sectors and may be applied within organisations of various sizes and across a range of client 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

Insurance services

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. Review claims reserves and monitor funds	1.1 Review claims reserves regularly to ensure they accurately reflect expectations 1.2 Monitor funds to ensure adequate reserves exist to pay claims as they fall due for payment 1.3 Provide accurate data to assist underwriters to identify and charge appropriate policy premiums
2. Support claims staff in claims reserve activities	2.1 Ensure claims coordination staff are supported, as required, to identify accurate initial claims reserves

ELEMENT	PERFORMANCE CRITERIA
	2.2 Ensure claims coordination staff are supported, as required, in allocation of claims to appropriate claims specialists
3. Authorise payments, settlements and changes to reserves	3.1 Authorise payments, settlements and reserves changes that are requested or required by claims specialists but outside their delegated authority
4. Identify required changes to portfolio, claims reserves policy or procedures	4.1 Communicate identified information promptly to decision-makers in the management structure according to organisational procedures 4.2 Instigate changes to policy and procedures to minimise claims losses in similar circumstances

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, 4.2	Analyses and consolidates information and data from a range of sources, against defined criteria and requirements, and checks for accuracy and completeness
Writing	1.3, 2.1, 2.2, 3.1, 4.1	Prepares documentation and correspondence using clear language and correct spelling and terminology
Oral Communication	1.3, 4.1	Interacts effectively in verbal exchanges, using active listening and questioning to convey and clarify information
Numeracy	1.1, 1.2, 1-3, 2.1, 3.1	Performs mathematical calculations to analyse financial information, costs and values to accurately determine performance and establish reserves requirement
Navigate the world of work	3.1, 4.2	- Seeks to improve policies and procedures to better meet organisational goals - Identifies and acts on issues that contravene relevant policies, procedures, legal requirements and levels of authority
Interact with others	2.1, 2.2, 4.1	Selects, implements and seeks to improve protocols governing communications to clients and co-workers in a range of work contexts

		Collaborates and supports others, sharing information to build strong work groups
Get the work done	2.1, 2.2, 3.1, 4.1, 4.2	- Accepts responsibility for planning and sequencing complex tasks and workload, negotiating key aspects with others and taking into account capabilities, efficiencies and effectiveness - Makes critical decisions quickly and intuitively in complex situations, taking into consideration a range of variables including the outcomes of previous decisions - Uses digital technologies to access, enter, check and store information required to complete work tasks

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSISV514 Review and update claim reserves in portfolio	FNSISV514A Review and update claim reserves in portfolio	Updated to meet Standards for Training Packages. Rewording and reordering of performance criteria to clarify intent.	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 FNSISV514 Review and update claim reserves in portfolio

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Performance Evidence

Evidence of the ability to:

- undertake high level data collection, financial analysis and monitoring of funds for managing claims reserves
- apply effective communication and management skills related to the review, update and reporting in an insurance claims portfolio
- accurately interpret and comply with relevant legislation, and claims and reserves trends.

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 data analysis techniques relating to claims reserves
- outline industry trends in claims reserving policy and procedures
- outline relevant information technology and communications systems required for determining claims reserves
- outline key features of insurance guidelines, levels of authority and organisational policy, procedures and obligations in reserving
- identify and describe key features of relevant legislation, regulatory guidelines and industry sector codes of practice
- explain the importance of wording of insurance policies in keeping with the organisation or industry sector
- explain the reinsurance processes and implications on claims reserves
- explain risk prevention and loss minimisation methods and application to claims reserves
- explain types and categories of insurance policies
- outline processes for authorising payments, settlements and reserves changes.

Assessment Conditions

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

- organisational records
- organisational policy, procedures, legislation and regulations as they relate to contracts of insurance
- a range of common technology and software.

Assessors must satisfy NVR/AQTF assessor requirements.

Links

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