



Australian Government

FNSISV525 Evaluate and report on status of insurance claims portfolios

Release: 1

FNSISV525 Evaluate and report on status of insurance claims portfolios

Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 5.0.

Application

This unit describes the skills and knowledge required to review, analyse and evaluate an insurance claims portfolio or line of business, including preparing reports on portfolio profitability status and recommending changes to minimise losses. It involves analysing claims data and risk, reviewing claims reserves, making assumptions and recommendations about the risks, preparing reports, and monitoring trends in claims activity. It requires the use of information systems, mathematics, financial theories and statistics, risk management methodologies, and financial modelling specific to the line of business.

The unit applies to those who work in claims management and underwriting job roles involving specialist knowledge and functions in a range of insurance sectors in 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. Users are advised to check with the relevant state and territory regulatory authorities to confirm those 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. Evaluate data on an insurance claims portfolio or a line of business claim	1.1 Source portfolio or line of business claims data using organisational collection processes in preparation for analysis 1.2 Identify any additional claims data sources, external influences and improvement to policies and procedures 1.3 Identify organisation's expectations for claims portfolio

ELEMENT	PERFORMANCE CRITERIA
	performance 1.4 Analyse data and undertake risk analysis to determine profitability, loss ratio, claims reserves and future trends according to organisational policies and procedures 1.5 Research industry to determine benchmarks for claims portfolio
2. Interpret findings to report on assumptions and recommendations	2.1 Identify findings and formulate assumptions and recommendations to identify trends, future profitability, claims reserves and loss ratio for the line of business 2.2 Review and suggest amendments to policies and procedures to improve line of business financial outcomes 2.3 Prepare a report documenting findings, identified issues and assumptions
3. Communicate and review report	3.1 Communicate findings and recommendations to required stakeholders within required timeframe and according to organisational policies and procedures 3.2 Collate feedback and identified issues, and amend report accordingly
4. Finalise report findings and confirm approval	4.1 Submit final report for approval according to organisational lines of approval and delegation of authority 4.2 Document final report and communicate to relevant stakeholders for implementation according to organisational procedures

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	Interpret charts, graphs and statistical information and financial modelling
Oral communication	Interacts effectively in verbal exchanges, using active listening and questioning techniques to convey and clarify information
Reading	- Critically analyses documentation from a variety of sources and identify trends and anomalies - Proofreads document to identify errors and inconsistencies
Writing	- Records information and prepares correspondence and documentation using clear language and organisational formats and protocols - Develops and edits documents to ensure accuracy, consistency and clarity of meaning

SKILL	DESCRIPTION
Problem solving	- Identifies and resolves key business issues, processes and practices that may have legal implications - Applies systematic and analytical decision-making processes for complex and non-routine situations
Self-management	Plans and sequences complex tasks and workload, negotiating key aspects with others and according to capabilities, efficiencies and effectiveness
Technology	Uses digital technologies to access, enter, check and store information

Unit Mapping Information

Supersedes and is equivalent to FNSISV515 Evaluate and report on status of claims portfolio.

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 FNSISV525 Evaluate and report on status of insurance claims portfolios

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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:

- evaluate and report on status of at least one insurance claims portfolio or line of business.

In the course of the above, the candidate must:

- research industry trends in portfolio management to reduce losses
- make assumptions and recommendations based on findings
- engage with required colleagues, communicate findings, and apply feedback.

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:

- legislative requirements, regulatory guidelines and industry sector codes of practice relating to claims management and reporting
- organisational policies and procedures, underwriting guidelines and levels of authority relating to evaluating and reporting on insurance claims portfolios
- data and risk analysis techniques relevant to insurance claims portfolios
- key aspects of financial theories and statistics relevant to insurance claims portfolios, including financial modelling and related mathematics
- evaluation methodologies relevant to insurance claims portfolios
- industry trends in insurance portfolio management
- insurance fundamentals and methods to interpret, comprehend and apply policy wording
- risk prevention and loss minimisation methods and their application in the development of claims portfolios
- reporting techniques to communicate assumptions used and recommendations developed
- types and categories of insurance policies.

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:

- organisational records, data and financial models
- organisational policies, procedures, legislation and regulations as they relate to contracts of insurance
- common technology and software required to evaluate and report on insurance claims portfolios.

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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