



Australian Government

Department of Education, Employment and Workplace Relations

FNSILF405A Evaluate life insurance claims

Release: 1

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Modification History

Release	Comments
Release 1	This Unit of Competency first released with <i>FNS10 Financial Services Training Package version 3.0</i> .

Unit Descriptor

This unit describes the performance outcomes, skills and knowledge required to handle the receipt, initial assessment and processing of claims made under risk-based life insurance policies.

Application of the Unit

This unit applies to those engaged in claims management functions of Life Insurance organisations.

Licensing/Regulatory Information

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

Pre-Requisites

Not applicable.

Employability Skills Information

This unit contains employability skills.

Elements and Performance Criteria Pre-Content

Element	Performance Criteria
<i>Elements describe the essential outcomes of a unit of competency.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.</i>

Elements and Performance Criteria

1. Receive claim form	1.1 Receive claim form and compile necessary documentation 1.2 Review policy details to ensure valid cover is in force 1.3 Establish that the claimant is authorised to deal with the policy 1.4 Check that documentation is correct and complete 1.5 Determine authority level required to evaluate the claim and refer application to appropriate authority as necessary
2. Evaluate claim information	2.1 Identify and review evidence against payment criteria 2.2 Check whether the terms and conditions of the policy have been verifiably met 2.3 Identify whether policy exclusions apply 2.4 Seek additional specialist advice as appropriate 2.5 Recognise where information suggests unresolved complexity and seek further information as appropriate
3. Establish liability for payment	3.1 Determine whether claim can be admitted in accordance with procedures and within authority limits 3.2 Make payment recommendation in accordance with procedures 3.3 Communicate outcomes to all relevant parties in accordance with procedures 3.4 Update records and file documentation in accordance with procedures and regulatory requirements

Required Skills and Knowledge

This section describes the skills and knowledge required for this unit.

Required skills

- communication skills to:
 - to gather and check information
 - liaise and share information with others
 - communicate appropriately with people from diverse backgrounds
- IT skills to:
 - use computer applications (word processing, spreadsheet, database, specific purpose computer systems)
 - access and update records electronically
- numeracy skills to:
 - calculate life insurance payments
- organisational skills to efficiently plan and sequence work
- problem solving skills to address errors in life insurance documentation
- reading skills to:
 - read and understand relevant procedures
 - read and understand life insurance policies
 - read and interpret life insurance claims and supporting documentation
- research and analysis skills to:
 - identify and interpret relevant information
 - analyse information and data
 - maintain currency of products and services knowledge
- writing skills to:
 - accurately record information
 - prepare professional letters and emails.

Required knowledge

- the ability to apply and explain as relevant to the initial evaluation of life insurance claims:
 - life insurance administrative requirements
 - life insurance policy payment criteria
 - life insurance policy terms and conditions
 - organisational procedures
 - organisational systems for data entry and filing
 - product information
 - relevant regulatory requirements.

Evidence Guide

The evidence guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.

Overview of assessment	
Critical aspects for assessment and evidence required to demonstrate competency in this unit	Evidence of the ability to: • apply analytical and administrative skills in the evaluation of claims • maintain and apply a thorough and up-to-date understanding of life insurance terms and conditions and claims processing • maintain and apply a thorough and up-to-date understanding of life insurance administrative requirements • perform tasks in accordance with relevant procedures and regulatory requirements.
Context of and specific resources for assessment	Assessment must ensure: • competency is demonstrated in the context of the work environment and conditions specified in the range statement either in a relevant workplace or a closely simulated work environment • access to and the use of a range of common office equipment, technology, software and consumables • access to records • access to organisational policies and procedures.
Method of assessment	A range of assessment methods should be used to assess practical skills and knowledge. The following examples are appropriate for this unit: • evaluating an integrated activity, which combines the elements of competency for the unit, or a cluster of related units of competency • observing processes and procedures in workplaces • verbal or written questioning on underpinning knowledge and skills • evaluating samples of work • accessing and validating third party reports • setting and reviewing workplace projects and business simulations or scenarios.
Guidance information for assessment	

Range Statement

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.

Documentation may include:	- financial records - other medical records - records of birth - records of death - records of disablement - statutory declarations and other such records.
Valid cover may include:	- policy is current - premiums are up to date.
Appropriate authority may include:	- supervisor - manager - other levels of management.
Payment criteria may include evidence of:	- death (including terminal illness) - invalidity (permanent or temporary disability) - trauma.
Policy exclusions may include:	- geographical location - high risk activities - medical conditions - pre-existing illnesses.
Specialist advice may include:	- accountants - administrators - investigation agencies - Chief Medical Officers - trustees - underwriters - government regulators - Australian Securities and Investments Commission (ASIC) - Australian Tax Office (ATO).
Unresolved complexity may include indicators of possible:	- fraud - misrepresentation - non-disclosure.
Further information may include:	- additional questionnaires - employment details

	• financial evidence • interviews • medical evidence • surveillance.
Procedures may include:	• organisational complaints handling processes • organisational customer service charter • organisational guidelines • organisational policy • organisational privacy and confidentiality guidelines • organisational procedures.
Outcomes may include:	• admit claim • amend claim • investigate claim • deny claim.
Relevant parties may include:	• claimant • adviser • other relevant business teams.
Regulatory requirements may include:	• Australian Securities and Investments Commission (ASIC) regulatory guides • corporations legislation • insurance contracts legislation • life insurance legislation • privacy legislation.

Unit Sector(s)

Life insurance