



Australian Government

Department of Education, Employment and Workplace Relations

FNSILF506A Manage group 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 procedural functions required to effectively handle claims made against group life insurance policies.

Application of the Unit

The unit applies to those engaged in case management and claims management functions associated with group life insurance policies.

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 a claim against a group life policy	1.1 Ensure that correct channels of lodgement have been followed 1.2 Identify the relevant policy and the type of cover 1.3 Evaluate evidence of the member's identity
2. Review the member's group history and eligibility for cover	2.1 Identify whether cover was granted within the policy's automatic acceptance provisions or if it was individually underwritten 2.2 Establish whether the member was at work on the commencement date of the present insurance 2.3 Verify that premium contributions are current and correct
3. Manage relationships and information collection	3.1 Identify important contact points and intermediaries, understanding each one's role and responsibilities 3.2 Identify communication channels most appropriate to each relationship 3.3 Manage an information collection and communication strategy 3.4 Where communication problems arise, refer the case to a suitably authorised team member
4. Assess the claim	4.1 Review claim submission to establish the circumstances of the member's claimed condition 4.2 Identify the appropriate policy wordings to establish assessment criteria 4.3 Evaluate evidence to determine whether the assessment criteria are met 4.4 Where cover was provided by means other than automatic acceptance, assess whether the client complied with all additional disclosure requirements 4.5 Decide whether a benefit is payable 4.6 For disability claims, consider the opportunity for rehabilitation
5. Pay group life insurance benefits	5.1 Determine entitlements as per relevant policy conditions, within authority levels and obtain sign-off where required 5.2 Identify the parties authorised to receive the benefits paid by the insurer 5.3 Communicate decisions to relevant parties, in accordance with procedures and regulatory requirements

	5.4 In the case of death benefits, evaluate dependent relationships and beneficiary nominations if necessary 5.5 In the case of salary continuance claims, set in place ongoing assessment processes and ensure benefit is appropriately taxed prior to payment
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Required Skills and Knowledge

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

Required skills

- communication skills to:
 - liaise and share information with others
 - gather and check information
 - 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
 - access web-based information services
- numeracy skills to interpret numeric data and relevant statistics and calculate benefit payments
- organisational skills to efficiently plan and sequence work
- research and analysis skills to:
 - maintain currency of products and services knowledge
 - effectively analyse information and data
 - identify and interpret relevant information
 - critically evaluate evidence
- reading skills to:
 - read and understand relevant procedures
 - read and understand group life insurance policies
 - read and interpret group life insurance claims and supporting documentation
- writing skills to:
 - accurately record information
 - prepare professional letters and emails
 - appropriately reference source documents including policy definitions and submitted evidentiary documents.

Required knowledge

- with reference to claims against group life insurance policies, it is necessary to be able to apply and explain:
 - dispute resolution procedures
 - life insurance administrative requirements
 - life insurance policy terms and conditions
 - management of group life schemes
 - organisational guidelines relating to automatic acceptance under group life insurance policies
 - organisational procedures
 - practice and ethics in group life insurance management
 - practice in prudential risk associated with disability claims in insurance
 - principles of procedural fairness

- procedure and practice in insurance claims investigation
- product information
- relevant regulatory requirements
- role and function of stakeholders and information sources.

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 highly developed analytical and administrative skills to group life insurance claims assessment • maintain and apply a thorough understanding of all aspects of claims procedures and 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 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.

Type of cover may include:	• death • total & permanent disablement (TPD) • salary continuance (income protection) • trauma • consumer credit.
At work definitions need to consider:	• policy wording • relevant Financial Services Council guidance notes and standards.
Commencement date of the present insurance may be:	• for individuals whose group membership pre-existed the present insurance contract, the date that the policy commenced with the present insurer (i.e. the takeover date) • for individuals who joined the group since the policy has been held with the present insurer, the date that the member took out cover or was granted automatic cover (i.e. the risk commencement date).
Contact points and intermediaries may include:	• the member • policy beneficiaries • the member's employer • superannuation fund trustees • superannuation fund administrators • medical professionals • solicitors • donee of power of attorney • financial adviser • insurance broker • internal divisions of the insurer.
Claimed condition may be:	• death • disability.
Assessment criteria may include:	• death or survivorship • existence of medical condition • severity of medical condition • financial assessments

	• medical disclosure assessments.
Evidence may include:	• legal certification (e.g. birth certificates, death certificates) • statements from: • the member • the member's employer • potential beneficiaries • medical attendant • medical records • functional capacity tests • employment records • accounting/taxation records.
Relevant policy conditions may include:	• benefit offsets • definitions of partial disability • ancillary benefits, such as • rehabilitation expenses • trauma benefits.
Procedures may include:	• organisational complaints handling processes • organisational customer service charter • organisational guidelines • organisational policy • organisational privacy and confidentiality guidelines • organisational procedures.
Regulatory requirements may include:	• corporations legislation • life insurance legislation • privacy legislation • superannuation legislation • Australian Securities and Investments Commission (ASIC) regulatory guides • Financial Services Council guidance notes and standards.

Unit Sector(s)

Life insurance