



Australian Government

Department of Education, Employment and Workplace Relations

FNSISV308A Process facultative and treaty reinsurance claims

Revision Number: 1

FNSISV308A Process facultative and treaty reinsurance claims

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	This unit describes the performance outcomes, skills and knowledge required to process facultative and treaty reinsurance claims in accordance with the organisation guidelines and procedures. This unit is applicable to individuals working within enterprises and job roles subject to licensing, legislative, regulatory or certification requirements including legislation administered by the Australian Securities and Investments Commission (ASIC).
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Application of the Unit

Application of the unit	This unit applies to job roles involving insurance claims processing in a range of insurance sectors and may be applied within organisations of various sizes and across a range of customer bases.
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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units		

Employability Skills Information

Employability skills	This unit contains employability skills.
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Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.	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.
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Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Receive reinsurance claim	1.1. Information relating to <i>facultative</i> or <i>treaty reinsurance</i> claim is received and <i>checked</i> 1.2. Completeness of the information is checked 1.3. Coverage of a claim, or series of claims, under a specific client, policy or treaty is confirmed
2. Calculate the recovery including reinstatements	2.1. Amount of payment/outstanding is calculated according to <i>organisation policy and procedures</i> and treaty and facultative obligations 2.2. Reinsurers are notified of claim amount and details under relevant reinsurance arrangements 2.3. Payment is requested from reinsurer 2.4. Payment information is passed on to appropriate staff, where required 2.5. All claim information is accurately recorded/ <i>entered on the system</i>

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

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

Required skills

- communication skills to:
 - determine and confirm information, using questioning and active listening as required
 - relate to customers
 - liaise with others, share information, listen and understand
 - use language and concepts appropriate to cultural differences
- numeracy and IT skills to:
 - perform calculations related to achieving required outcomes
 - use computer applications (word processing, spreadsheet, database, specific purpose computer systems) to assist in achieving required outcomes
 - access and update records electronically
 - access web-based information services
- literacy skills to read and interpret documentation from a variety of sources and record and consolidate relevant related information
- research and analysis skills for accessing and interpreting relevant information
- organisational skills, including the ability to plan and sequence work

Required knowledge

- relevant legislation and regulations, organisation policy, and procedures and sector policy wording
- reinsurance terminology and concepts such as:
 - any one risk
 - any one event
 - reinstatement premium
- IT and communications systems
- principles and methods of filing

Evidence Guide

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:

- fully comply with organisation operating procedures, legislative requirements and industry codes of practice, where applicable
- comply with terms and conditions of organisation reinsurance arrangement.

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 organisation records
- access to organisation policies and procedures.

Method of assessment

A range of assessment methods should be used to assess practical skills and knowledge. The following examples, in combination, 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.

Guidance information for assessment

Range Statement

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.

<i>Facultative reinsurance</i> may include:	- reinsurance negotiated and placed on a case by case basis, as opposed to the automatic protection provided under a reinsurance treaty - each facultative reinsurance arrangement is subject to a process of offer and acceptance between parties. It is usually arranged where a type of insurance may be excluded from the terms of a treaty, where amounts insured exceed capacity, where no treaty reinsurance facility is in place, or where assessed risk is excessive and the insurer wishes to protect the results of its treaty arrangements.
<i>Treaty reinsurance</i> may include:	an obligatory reinsurance contract usually effected to cover the whole or a certain section of the reinsured's business with the reinsurer receiving details of each individual risk reinsured.
Claims <i>checking</i> may be through:	- checking against facultative certificate/placing slip or cover note - checking against treaty cover note.
<i>Organisation policies and procedures</i> may include:	authority levels.
<i>Entering</i> claims data may include:	coding according to organisation requirements (entering statistical data).

Unit Sector(s)

Unit sector	Insurance services
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Competency field

Competency field	
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Co-requisite units

Co-requisite units		