



Australian Government

Department of Education, Employment and Workplace Relations

FNSISV309A Settle claims

Revision Number: 1

FNSISV309A Settle claims

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	This unit describes the performance outcomes, skills and knowledge required to settle claims including the negotiation of terms, recording of detail, finalisation of payments and filing of documents. 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 settling claims 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. Calculate claim entitlement	1.1. Information is gathered and evaluated to determine the amount of loss suffered by the customer 1.2. Settlement terms are determined according to policy wording, legislation and codes of practice
2. Negotiate and communicate settlement terms	2.1. Terms and conditions of settlement offer are promptly advised to client and/or third party according to organisation claims procedures, where appropriate 2.2. Response by client and/or third party to terms of settlement offer is considered to assess whether adjustment is required to take into account the value of lost or damaged goods 2.3. Negotiation is undertaken in an endeavour to reach mutual agreement on valuation 2.4. Terms and conditions of settlement offer are modified as necessary and client and/or third party advised promptly
3. Document liability decisions	3.1. Claim decisions are clearly communicated to the relevant parties in a manner required by the policy wording, the legislation, organisation operating procedures and codes of practice 3.2. Decisions are documented in such a way as to determine the basis on which the decision was reached and all the evidence/information that was considered, where applicable 3.3. Claims documentation is sent to reinsurers
4. Finalise settlement	4.1. Once settlement is reached, payments are made/instructed within the required timeframe 4.2. Settlement release is obtained from client and/or third party, as applicable 4.3. Claim referred for recovery action if appropriate, and loss recovery agent appointed if applicable 4.4. Recovery action is initiated from reinsurers if applicable 4.5. Finalised claims files are stored and maintained according to organisation policy and legislative requirements and codes of practice, as applicable

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

- accountability requirements
- level at which claim should be referred to senior staff
- organisation philosophy, policy and procedures
- policy coverage
- relevant industry legislation

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:

- apply organisation policy and procedures and comply with legislation and regulations and industry codes of practice.

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>Customer</i> may be:	• a third party • an agent or a lawyer acting for the client • the client.
<i>Settlement terms</i> may include:	• cash settle • ex gratia payments • repair • replace • total loss • vouchers.
<i>Claim decisions</i> may be:	• cancellation of claim (excess greater than settlement) • need further details • partial settlement • payment • repair approval • replacement approval.
<i>Recovery action</i> may include:	• determining financial status of third party • determining liability of third party • recovery from reinsurers • salvage.
<i>Storage of data</i> may be:	• electronic or hard copy (paper).

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		