



Australian Government

Department of Education, Employment and Workplace Relations

FNSISV511A Settle non-routine and complex claims

Revision Number: 1

FNSISV511A Settle non-routine and complex claims

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	This unit describes the performance outcomes, skills and knowledge required to settle non-routine and complex insurance claims including the identification of non-standard issues, accessing all required information to allow a decision to be made, negotiation and finalisation of claims. 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 specialist knowledge and functions 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	

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. Determine terms and conditions of settlement	1.1. Non-routine aspects of the claim are determined and evaluated in light of the policy wording and the general policy of the organisation 1.2. Organisation claims procedures for non-routine/complex claims are followed where required 1.3. Settlement terms are determined according to policy wording, legislation, organisation operating procedures and codes of practice, taking into account the non-routine aspects of the claim 1.4. Type and level of variation to standard claims settlement is identified in order to establish type of negotiation or mediation that may be required and to ensure logical, persuasive and technically correct claims interpretations can be applied
2. Negotiate and communicate settlement terms	2.1. Terms and conditions of settlement offer are promptly advised to client and/or relevant party, according to claims procedures 2.2. Response by client and/or relevant party to terms of settlement offer is considered to assess whether adjustment is required 2.3. Settlement terms are negotiated where required to reach mutual agreement, to meet obligations and to minimise unnecessary loss to the organisation 2.4. Negotiated settlements are supported with suitable documentation that clearly states agreements reached 2.5. Terms of settlement offer are modified as necessary and client and/or relevant party advised promptly
3. Document liability decisions	3.1. Decisions are clearly communicated to the relevant parties in a manner required by the legislation, 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 3.3. Any aspects of the claim relevant to policy wording and general organisation policy are communicated to relevant personnel
4. Finalise settlement	4.1. Once settlement is reached, final payments are made in the required timeframe

ELEMENT	PERFORMANCE CRITERIA
	4.2. Settlement release is obtained from client and/or third party, as applicable 4.3. Discharge is obtained to ensure any potential for further liability is eliminated
5. Identify any required changes to policy or procedures	5.1. Circumstances of claim are documented for consideration in portfolio review 5.2. Changes to policy and procedures are instigated to minimise further loss in similar circumstances, if appropriate
6. Report findings and update records	6.1. Actions, procedures and outcomes are documented and recorded promptly and accurately 6.2. Stakeholders are provided with accurate and timely advice regarding the claim settlement 6.3. 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

- highly-developed communication skills to:
 - determine and confirm information, using questioning and active listening as required
 - relate effectively to customers
 - liaise with others, share information, listen and understand
 - use language and concepts appropriate to cultural differences
- well-developed numeracy and IT skills to:
 - interpret charts, graphs and statistical information and calculate settlement offers
 - 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
- well-developed literacy skills to read and interpret documentation from a variety of sources and record and consolidate relevant related information
- learning skills to maintain knowledge of changes to compliance legislation and requirements
- problem solving skills to identify any issues that have the potential to impact on work outcomes and to develop options to resolve these issues when they arise
- self-management skills for complying with ethical, legal and procedural requirements research and analysis skills for accessing and interpreting relevant information
- organisational skills, including the ability to plan and sequence work

Required knowledge

- accountability requirements
- application of legal precedents
- dispute resolution bodies
- level at which claim should be referred to senior staff
- organisation business objectives
- organisation policy, procedures, guidelines and authorities
- regulatory body requirements
- relevant legislation and industry compliance requirements
- relevant common law, legal systems and procedures
- rights of subrogation (the more complex the claim, the more parties may be involved)

REQUIRED SKILLS AND KNOWLEDGE

- roles/responsibilities/jurisdiction of specialists and other authorities
- types and categories of insurance policies, industry codes of practice, insurance trends and relevant 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: interpret and apply organisation policy and procedures and compliance with legislation and regulations and industry codes of practice in identifying non-routine aspects of the claim and effecting an acceptable settlement.
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 - setting and reviewing workplace projects and business simulations or scenarios.
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>Non-routine aspects</i> may include:	- disputes in other jurisdictions - special inclusions and exclusions.
<i>Non-routine/complex claims</i> may involve:	- claims involving legal procedures, including those that involve working across international boundaries - claims involving long-term settlements - complex claims involving major losses and bodily injury losses - complex technical determinations - high monetary impact - important client base.
<i>Settlement terms</i> may include:	repair, replace or cash settle.
<i>Client and/or relevant parties</i> may include:	- broker or agent - claimant or client - consultants - government or statutory authorities - insured - legal or other practitioners - manufacturers - medical - mortgagee - principal - reinsurer - subcontractor - suppliers - third party - trustee.
<i>Adjustment</i> may involve modifications of settlement terms based on:	- new facts - negotiating the best terms.

RANGE STATEMENT	
Documentation may include:	• legal, government, professional and other documents • meeting notes • minutes • official, general and other correspondence • reasons for recommending certain actions and settlement decisions over others • records of telephone conversations • reference to all data and information considered • reports from others such as loss adjusters, assessors, insurers, medical providers and others • the basis on which the decision was determined.
Stakeholders may include:	• claimants • claims managers and specialists • insurance broker • reinsurers • underwriters • other relevant parties.

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		