



Australian Government

Department of Education, Employment and Workplace Relations

FNSISV513A Provide decisions on legal liability and indemnity of a claim

Revision Number: 1

FNSISV513A Provide decisions on legal liability and indemnity of a claim

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	This unit describes the performance outcomes, skills and knowledge required to provide decisions to ensure stakeholders receive accurate, timely advice regarding the legal liability and indemnity of a claim. 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 requires the application of high level communication, analysis and decision making skills to the provision of advice on the legal liability and indemnity of a claim to key stakeholders (brokers, insured, underwriters, claimants, other relevant parties). It may be applied in the insurance sector of the financial services industry.
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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. Monitor claims to support decision making process	1.1. Monitoring procedures are established to ensure that validity of a claim is assessed against organisation and policy acceptance criteria for relevant <i>type and category of policy</i> 1.2. Claims practices are monitored to ensure that information used to determine claim validity is accurate, comprehensive and authentic
2. Decide on the legal liability and indemnity of a claim	2.1. <i>Relevant information/data</i> is reviewed to determine the legal liability and indemnity of a claim 2.2. Decisions are determined in compliance with relevant legislation, organisation procedures and underwriting guidelines 2.3. Decisions are reviewed to ensure accuracy and compliance requirements are fully met
3. Provide stakeholders with accurate, timely advice regarding the legal liability and indemnity of a claim	3.1. <i>Stakeholders</i> are provided with consistent, accurate and timely advice regarding a claim 3.2. Technical and non-technical claims advice is provided to claims specialists, including review of outgoing correspondence and negotiation/settlement strategies as appropriate 3.3. Stakeholders are provided with accurate and timely advice regarding the legal liability and indemnity of the claim 3.4. Decisions are conveyed within timeframes that facilitate performance targets to be achieved
4. Review decisions and identify any required policy or procedural changes	4.1. Evaluation and review of decisions against requirements and outcomes is undertaken on a regular basis 4.2. Review process identifies extent to which decisions support process of accepting and managing a claim 4.3. Review process identifies extent to which decisions support setting of accurate claim portfolio reserves 4.4. Circumstances of claims and decisions concerning the legal liability and indemnity of the claim are documented for consideration in portfolio review 4.5. Changes to policy and procedures are instigated to minimise further loss in similar circumstances, if appropriate
5. Update records	5.1. Actions, procedures and outcomes are <i>documented</i> and recorded promptly and accurately 5.2. Finalised documentation is maintained according to organisation policy and legislative requirements and

ELEMENT	PERFORMANCE CRITERIA
	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:
 - 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
- 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

- claims management
- data analysis techniques/procedures
- insurance law, relevant legal systems and procedures, relevant acts
- IT and communications systems
- loss adjusting principles and practice
- organisation policy, procedures, underwriting guidelines and authorities
- policy coverage requirements and wording
- relevant industry compliance requirements, legislation and industry codes of practice
- risk prevention and loss minimisation methods and application
- types and categories of insurance policies

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 the determination and provision of legal/indemnity advice associated with a claim.

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.

Types and categories of policies include:

- accidental damage
- additional benefits
- burglary/theft
- business interruption
- business special risks
- commercial
- commercial motor
- construction risks
- crop
- defined events
- directors and officers
- domestic
- electronic equipment
- employee fraud
- engineering plant
- environment and pollution
- fire and perils
- general and products liability
- glass
- Industrial Special Risks (ISR)
- livestock
- machinery breakdown
- money
- multi-risk
- other personal items
- package contracts
- personal accident and illness
- professional indemnity
- public liability
- sprinkler leakage
- transit
- travel.

RANGE STATEMENT	
Relevant information/data may include:	• claims files and database information • claims frequency • claims portfolio reports • claims settlement costs • legal, government, professional and other documents • loss ratios • official, general and other correspondence • premium income • reports from others such as: • loss adjusters • assessors • claims specialists • underwriters • reports on claims.
Stakeholders may include:	• agents or brokers • claims staff • insured, claimants, other relevant parties • reinsurers • underwriters.
Documentation may include:	• file notes • reports.

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		