



Australian Government

Department of Education, Employment and Workplace Relations

FNSISV517A Review claims settlement policies and procedures

Release: 1

FNSISV517A Review claims settlement policies and procedures

Modification History

Release	Comments
Release 1	This Unit of Competency first released with <i>FNS10 Financial Services Training Package version 3.0</i>. Unit migrated from FNS04. Replaces FNSINSV508B Review claims settlement policies and procedures.

Unit Descriptor

This unit describes the skills needed to review the effectiveness of claims settlement policies and procedures including monitoring trends in claims settlement and formulating changes to minimise losses.

Application of the Unit

This unit applies to those involved in the development and monitoring of policies and procedures associated with organisational underwriting risk within the insurance sector.

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. Collect data on claims trends	1.1 Data gathering processes are designed and implemented 1.2 New data requirements and <i>sources of information</i> are identified and process for collecting the data established
2. Monitor and report on claims trends	2.1 Data collected is analysed to identify trends 2.2 Accurate and timely <i>claims reports</i> are prepared to document trends where appropriate
3. Identify required changes to portfolio, claims settlement policy or procedures	3.1 Information which impacts on the various portfolios is communicated promptly to management according to company procedures 3.2 Changes to policy and procedures are instigated to minimise future losses

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
- 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 relative to claims and prudential risk
 - undertake trend analysis
 - perform portfolio analysis
- organisational skills to efficiently plan and sequence work
- reading skills to:
 - read and understand relevant procedures
 - read and understand reports and statistics
- research and analysis skills to:
 - identify and interpret relevant information
 - analyse information and data
 - interpret statistics
- writing skills to:
 - accurately record information
 - appropriately reference source documents including policy definitions and submitted evidentiary documents
 - prepare reports
 - draft policy documents.

Required knowledge

- claims policies and procedures
- data analysis techniques
- industry trends in insurance prudential risk management
- portfolio management techniques in insurance prudential risk management
- design and practice in data collection.

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: • collect and interpret data from a wide range of sources • analyse the causes of trends and the effects on claims settlement policies and procedures.
Context of and specific resources for assessment	Assessment must ensure: • competency is demonstrated in the context of the financial services 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 financial services product information • access to information about workplace policy 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 • simulated tasks involving preparation of reports from supplied data • verbal or written questioning on underpinning knowledge and skills • evaluating samples of work.
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.

Sources of information may include:	• reports on claims • declinature claims • inter-disciplinary rehabilitation (IDR) referrals • claim statistic reports • previous policies and historical documents • premium income • claims settlement costs • loss ratios • claims frequency • surveys.
Claims reports may include:	• loss ratios • claims settlement costs • claims frequencies.

Unit Sector(s)

Insurance services