



**Australian Government**

**Department of Education, Employment and Workplace Relations**

# **FNSSUP401A Process complex superannuation benefit or insurance claim**

**Revision Number: 1**

## **FNSSUP401A Process complex superannuation benefit or insurance claim**

### **Modification History**

Not applicable.

### **Unit Descriptor**

|                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Unit descriptor</b> | <p>This unit describes the performance outcomes, skills and knowledge required to receive applications for complex superannuation benefit payment or insurance claims and ensuring correct funds are allocated to members. Conditions would include claims such as death or disability payment and situations of severe financial hardship. It encompasses the identification of types of benefits and their procedures for processing, knowledge of receiving processes for benefit payments, ability to identify and manage application claim errors, ability to assess and process applications for benefits, ability to process insurance claims and knowledge of claim correspondence required for member communications.</p> <p>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).</p> |
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### **Application of the Unit**

|                                |                                                                                                                                                                                   |
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| <b>Application of the unit</b> | <p>This unit applies where receiving and processing benefit applications and/or insurance claims is a primary function of the work role or one element of a varied work role.</p> |
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### **Licensing/Regulatory Information**

Not applicable.

## Pre-Requisites

|                           |  |  |
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| <b>Prerequisite units</b> |  |  |
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## Employability Skills Information

|                             |                                          |
|-----------------------------|------------------------------------------|
| <b>Employability skills</b> | This unit contains employability skills. |
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## Elements and Performance Criteria Pre-Content

|                                                                   |                                                                                                                                                                                                                                                                                                                  |
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| 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. Identify types of benefits and their processes                   | 1.1. <b>Benefit types</b> are identified<br>1.2. Potential errors in processing benefit types are identified                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 2. Receive applications for benefit payment and/or insurance claims | 2.1. Applications for superannuation benefit payment and/or insurance claim are received via post or electronic means<br>2.2. Receipt is documented according to organisation procedures<br>2.3. Applications and/or claims and organisation documents are checked to ensure information is complete and correct<br>2.4. Applications are checked for eligibility<br>2.5. Signature on application is verified with original documents                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 3. Identify and manage application and/or claim errors              | 3.1. <b>Errors and non-completions</b> in applications and/or claims are identified<br>3.2. Incomplete or incorrect applications and/or claims are <b>actioned</b> according to organisation requirements<br>3.3. Applications and/or claims are prepared for processing when required information is obtained                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 4. Assess and process applications for benefits                     | 4.1. Features and differences of payment types are identified<br>4.2. Applications are checked against conditions identified in trust deed rules<br>4.3. Additional information is sourced as required (e.g. from member, doctors, employers etc.)<br>4.4. Benefit is calculated to include additional fees, charges and/or other factors, using computer system<br>4.5. <b>Special circumstances</b> are managed according to organisation guidelines<br>4.6. Taxation issues are managed according to legislation<br>4.7. Pensions and annuities where relevant to the fund are processed according to organisation guidelines<br>4.8. Information and calculation results are checked for integrity<br>4.9. Eligible Termination Payments (ETP) and rollover documentation is issued to members, Australian Taxation Office (ATO) and rollover funds, as required |

| ELEMENT                          | PERFORMANCE CRITERIA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                  | 4.10. Application is processed in accordance with the conditions identified in the trust deed and <b>organisation procedures</b> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 5. Process insurance claims      | 5.1.Claim applications are checked against <b>conditions identified in trust deed</b> and in accordance with relevant group policies<br>5.2.Additional information is sourced as required (e.g. from member, doctors, employers, insurers, etc.)<br>5.3.Trust deed is checked for defined beneficiaries<br>5.4. <b>Beneficiaries</b> are communicated with as necessary<br>5.5.Benefit is calculated to include additional fees, charges, taxes and/or other factors<br>5.6.Results of calculation are checked<br>5.7.Claim is processed in accordance with the conditions identified in the trust deed, relevant legislation and organisation procedures |
| 6. Provide member communications | 6.1.Statements and claim correspondence are provided according to organisation guidelines and compliance requirements<br>6.2.Processes and outcomes of application/claim are documented in member files<br>6.3.Instruction for complaints is provided to members as required<br>6.4.Positive relations are maintained with clients                                                                                                                                                                                                                                                                                                                        |

## Required Skills and Knowledge

### REQUIRED SKILLS AND KNOWLEDGE

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

#### Required skills

- communication skills to:
  - liaise with others, share information, confirm work requirements, using questioning and active listening as required
  - use language and concepts appropriate to cultural differences
- numeracy and IT skills for:
  - making financial calculations
  - accessing and using appropriate software such as word processors, spreadsheets and databases
  - using internet information
- literacy skills to read and interpret documentation from a variety of sources and recording, gathering and consolidating financial information
- problem solving skills to address compliance and other issues
- learning skills to maintain knowledge of changes to products and relevant legislation
- organisation skills, including the ability to plan and sequence work

#### Required knowledge

- organisation policies, objectives and guidelines
- components of a superannuation ETP
- documentation requirements for processing death and disability payments
- documentation requirements of a superannuation ETP
- Government Member Benefit Protection Rules
- internal and Superannuation Complaints Tribunal (SCT) complaints procedures
- preservation rules (before and after July 1999)
- procedures for assessing insurance claims and calculating and processing benefit payments
- procedures for calculating and processing benefits
- procedures for monitoring pension and annuity payments
- Reasonable Benefit Limits (RBL) regulations and impacts on taxation
- regulations and legislation applying to payments
- taxation requirements for:
  - death
  - deductions for payments
  - ETPs under the Income Tax Assessment Act
  - salary continuance payments

**REQUIRED SKILLS AND KNOWLEDGE**

- total and permanent disablement benefits

## 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:

- identify types of benefits and manage application and claim errors
- process insurance claims in accordance with conditions, trust and organisation requirements
- establish special circumstances and make informed recommendations about benefit payments
- calculate taxation requirements for benefit payments
- identify, source and interpret required information to process benefits for lump sum payments, death claims and disablement claims
- assess and determine benefit entitlements for ETP, death and disablement claims using computer programs.

#### 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 financial 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 business simulations or

| <b>EVIDENCE GUIDE</b>                      |            |
|--------------------------------------------|------------|
|                                            | scenarios. |
| <b>Guidance information for assessment</b> |            |

## 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.

|                                                                        |                                                                                                                                                                                                                                                                                                                             |
|------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b><i>Benefit types</i></b> may include:                               | <ul style="list-style-type: none"> <li>• compassionate</li> <li>• death benefits</li> <li>• disablement benefits</li> <li>• divorce</li> <li>• ETP</li> <li>• income protection</li> <li>• pensions</li> <li>• resignation</li> <li>• retirement</li> <li>• rollover funds</li> <li>• severe financial hardship.</li> </ul> |
| <b><i>Errors and non-completions</i></b> in documentation may include: | <ul style="list-style-type: none"> <li>• claim documentation is inconsistent or incomplete</li> <li>• insufficient detail given</li> <li>• member information does not correlate with fund records</li> <li>• member information is illegible or missing</li> <li>• signature is missing.</li> </ul>                        |
| <b><i>Actioned</i></b> may include:                                    | <ul style="list-style-type: none"> <li>• applications are returned</li> <li>• further information is sought.</li> </ul>                                                                                                                                                                                                     |
| <b><i>Special circumstances</i></b> may include:                       | <ul style="list-style-type: none"> <li>• compassionate grounds</li> <li>• permanent application/temporary residence</li> <li>• severe financial hardship.</li> </ul>                                                                                                                                                        |
| <b><i>Organisation procedures</i></b> may include:                     | <ul style="list-style-type: none"> <li>• best practice standards</li> <li>• codes of practice</li> <li>• documentation and filing procedures</li> <li>• internal communications</li> <li>• legislative requirements</li> <li>• regulatory requirements</li> <li>• system/computer procedures.</li> </ul>                    |
| <b><i>Conditions identified in trust deed</i></b> may include:         | <ul style="list-style-type: none"> <li>• binding or non-binding nominations</li> <li>• conditions for benefit payment</li> <li>• details of policy taken by member</li> <li>• fund guidelines</li> </ul>                                                                                                                    |

| RANGE STATEMENT                   |                                                                                                                                                                                                                                                                                                                         |
|-----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                   | <ul style="list-style-type: none"> <li>• relevant legislation.</li> </ul>                                                                                                                                                                                                                                               |
| <b>Beneficiaries</b> may include: | <ul style="list-style-type: none"> <li>• beneficiaries as identified by local state legislation</li> <li>• children who are minors</li> <li>• current or ex-spouse</li> <li>• custodial children</li> <li>• financial dependants</li> <li>• legal personal representative</li> <li>• non-custodial children.</li> </ul> |

## Unit Sector(s)

|             |                |
|-------------|----------------|
| Unit sector | Superannuation |
|-------------|----------------|

## Competency field

|                  |  |
|------------------|--|
| Competency field |  |
|------------------|--|

## Co-requisite units

|                    |  |  |
|--------------------|--|--|
| Co-requisite units |  |  |
|                    |  |  |