

Specification of Competency Standards of the Insurance Industry

Unit of Competency

Functional Area: Claims

Title	Settle general insurance claims
Code	105516L4
Range	This unit of competency is applicable to those who are responsible for claims settlement. It involves determining settlement amount and settlement options for individual claims applications.
Level	4
Credit	4 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> 1. Possess knowledge in settling claims <ul style="list-style-type: none"> • Comprehend company procedure and guidelines of claims settlement • Comprehend excesses, deductibles and payment schedules of different business lines • Comprehend company claims settlement systems • Comprehend options in claims settlement • Comprehend company claims processing system • Comprehend relevant compliance and regulatory requirements in processing claims 2. Process settlement for claims applications <ul style="list-style-type: none"> • Observe excesses of insurance policies • Verify identity of payees to ensure their eligibility to receive the claim payments • Liaise with finance unit to ensure no outstanding or overdue payment from policies • Identify potential fraud • Preserve subrogation right (if any) against third party • Determine the best settlement options (if any) in accordance with company claims procedure and guidelines • Present claims with supporting evidence to obtain approval from appropriate authorities for respective settlement amounts • Settle approved claims in accordance with company guidelines • Review reinsurance arrangement and report claims to the reinsurers according to the reporting requirements under the Reinsurance Agreement 3. Settle claims according to company's claims guidelines <ul style="list-style-type: none"> • Verify eligibility of payees to receive claims payments based on existing policy records • Settle claims with settlement amount determined by company claims guidelines.
Assessment Criteria	<p>The integral outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> • Able to review existing policy records to determine payee's eligibility for claims payments • Able to determine accurate settlement amounts • Able to settle claims in accordance with company procedure and guidelines, as well as relevant compliance and regulatory requirements • Able to report claims to reinsurers on timely basis for claims recovery purposes • Able to maintain valid records to preserve subrogation right against third party.
Remark	