

Specification of Competency Standards of the Insurance Industry

**Unit of Competency**

**Functional Area: Operational Support & Services**

Title	Set up billing and collection procedures
Code	105592L5
Range	This unit of competency is applicable to those who are responsible for managing the billing and collection procedures. It involves consolidating corporate billing activities, establishing procedures to collect payments from different channels, developing step-by-step billing and collection procedures, and setting up mechanisms to reveal irregularities/abnormal billing requests.
Level	5
Credit	5 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> <li>1. Possess knowledge in financial management <ul style="list-style-type: none"> <li>• Familiar with insurance market</li> <li>• Comprehend corporate development strategy</li> <li>• Comprehend corporate profitability strategy</li> <li>• Fully aware of relevant regulatory requirements, e.g. anti-money laundering, liquidity, etc.</li> <li>• Able to financial management concepts to support day-to-day operations</li> </ul> </li> <li>2(a). Control cash inflow <ul style="list-style-type: none"> <li>• Work with relevant business units to consolidate cash inflow channels</li> <li>• Establish procedures to consolidate cash received via different channels</li> <li>• Introduce measures to verify deposits made to designated accounts</li> </ul> </li> <li>2(b). Control cash outflow <ul style="list-style-type: none"> <li>• Establish procedures to consolidate payment activities of business units</li> <li>• Establish payment authority for settlement of payments</li> <li>• Introduce check points to verify payment authority prior to process payments</li> <li>• Introduce check points to ensure funds are available in bank accounts to settle payments</li> <li>• Set up payment settlement procedures, including paychecks and electronic fund transfer</li> </ul> </li> <li>2(c). Set up mechanism to reveal irregularities/abnormal income and expenditures <ul style="list-style-type: none"> <li>• Introduce check points to reveal irregularities in operations</li> <li>• Set up mechanism for report to relevant parties as necessary</li> <li>• Set up guidelines for follow up actions.</li> </ul> </li> <li>3. Develop efficient procedures to manage cash flows and adhere to relevant regulatory requirements <ul style="list-style-type: none"> <li>• Ensure cash flow management procedures efficiently support business activities of the company</li> <li>• Ensure procedures effectively reveal irregularities in operations and direct appropriate follow-up actions.</li> </ul> </li> </ol>
Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> <li>• Able to develop efficient procedures to manage cash flows amongst business units and activities</li> <li>• Able to develop mechanism to reveal irregular/abnormal income and expenditures.</li> </ul>
Remark	This unit of competency is also applicable to general insurers, life insurers and broker.