

# Specification of Competency Standards of the Insurance Industry

## Unit of Competency

### Functional Area: Claims

Title	Manage claims operations
Code	105614L6
Range	This unit of competency is applicable to those who are responsible for managing operations of claims department. It involves establishing claims operational guidelines, monitoring different functions in claims department and resolving claims disputes.
Level	6
Credit	6 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> <li>1. Possess knowledge in company claims operation <ul style="list-style-type: none"> <li>• Comprehend functions of different posts in claims operation</li> <li>• Comprehend claims operation work flow</li> <li>• Comprehend authority limits for different job ranks</li> <li>• Comprehend relevant compliance and regulatory requirements in processing claims</li> <li>• Comprehend corporate development strategy</li> </ul> </li> <li>2 (a). Manage claims operations <ul style="list-style-type: none"> <li>• Establish company claims service principle</li> <li>• Establish claims strategies in line with company directions and goals</li> <li>• Develop company claims reserving policies</li> <li>• Establish claims procedures and operation guidelines with expected performance standards</li> <li>• Set up monitoring mechanism to prevent breaching of authority limits</li> <li>• Provide training and guidance to claims staff on company claims policy, procedure and guidelines</li> <li>• Monitor manpower and roles of different posts in claims department</li> <li>• Resolve claims disputes</li> </ul> </li> <li>2 (b). Improve operation procedures <ul style="list-style-type: none"> <li>• Evaluate efficiency and effectiveness of claims operations on regular basis</li> <li>• Assess compliance of claims operations against relevant regulatory requirements</li> <li>• Identify areas to be improved in claims operations based on assessment results.</li> </ul> </li> <li>3. Ensure claims operations effectively support corporate development <ul style="list-style-type: none"> <li>• Master the flow and service requirements of claims operations</li> <li>• Ensure all decisions made on claims applications are accurate</li> <li>• Ensure all settlements are made in a timely manner</li> <li>• Ensure all recovery actions are carried out as needed</li> <li>• Manage claims operations to achieve service targets, e.g. settlements made within service pledge</li> <li>• Ensure all claims operations comply with the established claims reserving policies, operation guidelines, as well as relevant compliance and regulatory requirements</li> <li>• Ensure the practice of quality assurance, fraud, recovery and vendor management are in place</li> <li>• Ensure claims are managed proactively to shorten the age of files</li> <li>• Ensure settlement costs and expenses are effectively controlled.</li> </ul> </li> </ol>

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### Functional Area: Claims

Assessment Criteria	The integral outcome requirements of this unit of competency are: <ul style="list-style-type: none"><li>• Able to organize claims operations into step-by-step procedures</li><li>• Able to deliver business objectives in terms of financial effectiveness, operational efficiency and compliance</li><li>• Able to identify areas of operations that require governing mechanisms and set-up such mechanisms accordingly</li><li>• Able to establish claims reserve policies, procedures and guidelines, that comply with relevant compliance and regulatory requirements, to direct company claims operations</li><li>• Able to manage claims operations to ensure compliance with relevant policies and guidelines, as well as regulatory requirements</li><li>• Able to improve efficiencies, effectiveness and compliance claims operations based on regular evaluation results</li><li>• Able to improve customer satisfaction with continual lifting of the service standards.</li></ul>
Remark	This unit of competency is also applicable to general insurers and life insurers.