

FSPITS12 - SQA Unit Code H69H 04

Ensure effective recovery in complex insurance claims



Overview

This unit is about determining the party(ies) responsible for incidents upon which claims are based, and making an assessment of the potential level of recovery, as well as making the necessary arrangements for recoveries to be made. It includes checking the validity and reliability of information, and assessing the appropriateness of investigatory actions, based upon an analysis of the resources required and the potential outcomes.

At all times you act within the limits of your authority.

Claims are complex where they are not routine and cannot be dealt with mechanistically, for example, when a claim involves negotiation and/or is technically demanding involving complex legal issues or substantial financial implications.

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Performance criteria

- You must be able to:*
- P1 Determine and gather the information available towards determining the party(ies) responsible for the incident upon which the claim is based, and upon which an assessment can be made regarding the monies that might be recovered
 - P2 Identify any gaps in the information required
 - P3 Determine actions appropriate to addressing further information needs, and the resources necessary to progress such actions
 - P4 Make a reasoned assessment regarding the party(ies) responsible for the incident upon which the claim is based
 - P5 Assess the potential amount of monies likely to be recoverable from the party(ies) responsible
 - P6 Evaluate the costs of progressing further actions against the likely benefits of the outcomes
 - P7 Consider any potential negative impact of pursuing recovery against the costs of abandoning recovery
 - P8 Decide whether to progress further actions, progressing these where you consider it appropriate, setting out a reasoned rationale for the decision
 - P9 Ensure that further investigatory actions are approved by the appropriate authority, where relevant
 - P10 Evaluate the outcomes of further investigatory actions to determine the party(ies) judged to be responsible and assess the opportunity for recovery
 - P11 Arrange for potential recoveries to be progressed where your assessment indicates this to be worthwhile, in line with your organisation's ethos and requirements
 - P12 Maintain accurate and complete records
 - P13 Refer all matters that are beyond your level of authority promptly to the relevant person, setting out clearly the circumstances and reason for the referral, making reasoned recommendations regarding future actions

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Knowledge and understanding

You need to know and understand:

Financial services specific knowledge and understanding

- K1 The structure of the insurance market and the roles and responsibilities of the various parties within it as they impact on your activities
- K2 The importance of gathering all relevant information towards progressing effective recovery in insurance claim
- K3 The importance of reviewing legal precedents and how they affect recovery in claims
- K4 The importance and implications of contract clauses, and/or exclusion clauses, upon recovery and legal liability
- K5 The principles of effective negotiation and the factors that might be negotiated in seeking recovery in insurance claims
- K6 Relevant market claims handling agreements between insurers and their impact for your work
- K7 The options available to pursue subrogation and recovery rights
- K8 The importance of balancing the costs of progressing actions to recover monies against the likely amounts that might be recovered, including the factors to take into account, and how to do this
- K9 Opportunities for seeking recovery in complex claims, in terms of those parties against which recovery might be progressed
- K10 The importance of maintaining accurate reserves, and the factors making up claims reserves
- K11 How different policy wording impacts upon claims and upon the claims reserving process

Context specific knowledge and understanding

- K12 Your organisation's requirements relating to the application of codes, laws and regulatory requirements, including ethical standards and health and safety, as they impact on ensuring recovery in insurance claims
- K13 Your organisation's ethos and practice associated with progressing claims
- K14 Your organisation's claims management process
- K15 Your organisation's policies and procedures for investigating complex insurance claims
- K16 Potential specialists with whom you might contract towards investigating those from whom recovery might be sought, and your organisation's procedures for contracting with such specialists
- K17 The policy cover, terms and conditions relevant to your work including standard and non-standard extensions and/or limitations

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Additional Information

Behaviours

You must demonstrate that:

1. You use information and knowledge effectively, efficiently and ethically
2. You show integrity, fairness and consistency in decision making

Links to other NOS

‘Signposting’ other relevant NOS

There is a close relationship between these NOS and the NOS for General Insurance, which have been developed separately by the Financial Skills Partnership (formerly Financial Services Skills Council). These can be accessed via www.financialskillspartnership.org.uk

In addition, the Sector Skills Body, Skills CFA, have developed NOS which include the competences required for leadership and management, as well as customer service. The website address for Skills CFA is www.cfa.uk.com

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