

<b>Title</b>	<b>Demonstrate understanding of life and health insurance needs and products and apply products to meet client needs</b>		
<b>Level</b>	<b>5</b>	<b>Credits</b>	<b>10</b>

<b>Purpose</b>	<p>People credited with this unit standard are able to:</p> <ul style="list-style-type: none"> <li>– relate insurance needs to appropriate life and health insurance product types</li> <li>– demonstrate understanding of other issues that are relevant to creating appropriate life and health insurance arrangements, and</li> <li>– apply detailed knowledge to identify products and services that meet life and health insurance needs.</li> </ul>
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<b>Classification</b>	Financial Services > Financial Services - Professional Practice
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<b>Available grade</b>	Achieved
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### Guidance Information

- 1 References  
 Consumer Guarantees Act 1993;  
 Fair Trading Act 1986;  
 Financial Advisers Act 2008;  
 Financial Service Providers (Registration and Dispute Resolution) Act 2008;  
 Health and Safety in Employment Act 1992;  
 Insurance Law Reform Act 1977;  
 Insurance Law Reform Act 1985;  
 Privacy Act 1993;  
 relevant industry codes of practice;  
 and all subsequent amendments and replacements.
  
- 2 Range  
 Assessments requiring application or demonstration of skills and knowledge may be performed using workplace evidence or evidence derived from simulation or scenario based activities.

All activities must comply with legislation, regulations, and best practice, including any guidance notes published by the agency responsible for the relevant enactment or code.

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### Outcomes and performance criteria

#### Outcome 1

Relate insurance needs to appropriate life and health insurance product types.

**Performance criteria**

- 1.1 Identify three potential insurance needs, and describe those needs in reference to the source of the risks, the nature of the risks, how the risks should be managed and the applicability of insurance to the solution.
- 1.2 Explain three common policy types that would meet identified insurance needs.
- 1.3 Outline three different types of insurance products that may be applicable in terms of structures, events covered, and terms and conditions.
- 1.4 Relate three different types of insurance products to identified insurance needs in terms of specific features that make them suitable for meeting the need.

**Outcome 2**

Demonstrate understanding of other issues that are relevant to creating appropriate life and health insurance arrangements.

**Performance criteria**

- 2.1 Outline alternative sources of support that might be applicable, and the impact that availability would have on the identified insurance solution.
- 2.2 Explain any particular policy ownership considerations that may arise in respect of the identified solutions, including the need to refer to the client's other professional advisers.  
  
Range includes but is not limited to – legal implications, tax implications.
- 2.3 Demonstrate understanding of common ownership structures and roles in relation to insurance contracts.  
  
Range ownership structures include – personal ownership, joint tenants, tenants in common, companies, trusts, partnerships;  
roles include but are not limited to – policy owner, premium payer, life insured, beneficiary.
- 2.4 Identify any limits of delegated authority or personal expertise and the need to refer to relevant internal and/or external specialists when required.

**Outcome 3**

Apply detailed knowledge to identify products and services that meet life and health insurance needs in the context of arranging cover or in pursuing a claim.

Range products and services may include but are not limited to – pure insurance (term life), total and permanent disability (TPD), trauma, income protection, traditional permanent life (whole of life), unbundled contracts and investment linked insurance, major medical, medical specialists and tests, medical comprehensive;  
evidence of three examples of identifying appropriate products and/or services is required.

**Performance criteria**

- 3.1 Identify the type of product or service that is appropriate for meeting the needs of the client, with reference to the features, benefits, risks, and limitations of that product or service.
- 3.2 Identify any specific information that may assist in identifying the best solution.
- 3.3 Using knowledge of the specific terms of the product or service, describe how it meets the needs of the client and identify any opportunities to adjust it to meet any special circumstances that are presented.
- 3.4 Explain what specific actions are to be taken in making any adjustments, and how those achieve an appropriate result in reference to the client’s particular circumstances.

Range specific adjusting actions may include but are not limited to – adjust wait period or excess, include or exclude optional elements, offer or accept special terms.

<b>Replacement information</b>	This unit standard was replaced by unit standard 31867.
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**This unit standard is expiring. Assessment against the standard must take place by the last date for assessment set out below.**

**Status information and last date for assessment for superseded versions**

Process	Version	Date	Last Date for Assessment
Registration	1	19 February 2015	31 December 2022
Review	2	23 January 2020	31 December 2022

<b>Consent and Moderation Requirements (CMR) reference</b>	0003
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This CMR can be accessed at <http://www.nzqa.govt.nz/framework/search/index.do>.