

Title	Demonstrate understanding of the creation, maintenance, claims, and review processes of life and health insurance		
Level	5	Credits	5

Purpose	<p>People credited with this unit standard are able to demonstrate understanding of:</p> <ul style="list-style-type: none"> – considerations and processes for life and health insurance policy issue, maintenance, and claims, and – the considerations and relevant issues for a life and health insurance review.
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Classification	Financial Services > Financial Services - Professional Practice
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Available grade	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.

Outcomes and performance criteria

Outcome 1

Demonstrate understanding of the considerations and administrative processes that are required for the issue, on-going maintenance, and claims of life and health insurance policies.

Performance criteria

- 1.1 Demonstrate understanding of the steps involved in policy issue and explain the required actions and responsibilities of the parties.
- Range required actions and/or responsibilities may arise in respect of – non-disclosure, special underwriting, policy issuance, ensuring correct commencement of cover, policy ownership.
- 1.2 Demonstrate understanding of the steps involved in policy maintenance and explain the required actions and responsibilities of the parties.
- Range required actions and/or responsibilities may arise in respect of – on-going disclosure, arrears and reinstatements, changes to client relationships and ownership needs, meeting privacy obligations.
- 1.3 Demonstrate understanding of the steps involved in a claim and explain the required actions and responsibilities of the parties.
- Range required actions and/or responsibilities may arise in respect of – non-disclosure, need for further evidence, contribution of external expertise and support; steps involved in a claim include the following, or a series of steps of a similar nature – notification, quantification, negotiation, settlement.

Outcome 2

Demonstrate understanding of the considerations and relevant issues for a life and health insurance review.

Performance criteria

- 2.1 Identify considerations that could trigger a review.
- Range considerations are changes that require an assessment of whether the current arrangements remain fit for purpose, which may include, but are not limited to – changes to market, environment, social situation, personal situation, product terms.
- 2.2 Describe the elements of and process for conducting a review.
- Range elements and process include – identification of trigger events, evaluation of impacts, determination of appropriate action if any, agreement on action, implementation.
- 2.3 Compare the advantages and disadvantages of the existing and proposed insurance arrangement.

Replacement information	This unit standard was replaced by unit standard 31868.
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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

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