

# **Appendix O**

## **FINANCE YOUTH APPRENTICESHIP**

### **INSURANCE SERVICES (UNIT 7)**

## **Unit 7: Insurance Services**

Competency

### **1. Maintain and update customer files**

Performance Standard Condition

#### **Competence will be demonstrated**

- at the worksite and classroom

Performance Standard Criteria

#### **Performance will be successful when learner:**

##### **Hard copy files**

- Create or retrieve customer file from storage
- Put forms in file (e.g., application, claim information, supporting documents, receipts of payment, etc.)
- Organize forms with most current at front of file
- Return client file to storage

##### **Computer files**

- Create or retrieve customer file from computer
- Put forms in file (e.g., scanned documents, claim information, etc.)
- Verify accuracy of computer entries
- Save changes
- Generate reports and notices as required

Learning Objectives

- Describe the basic functions of the insurance industry
- Describe the principle of indemnity and insurance contracts
- Define the insurance agent's responsibility to the customer and to the insurance company
- Discuss the types of traditional insurance services
- Identify laws governing insurance and financial investment operation
- Compare property, casualty, liability, medical, life, etc insurance
- Describe the function of the departments in an insurance company such as Underwriting, Claim Department, Marketing Department, Loss Control Department

**Comments:**

## **Unit 7: Insurance Services**

Competency

### **2. Process premium payments**

Performance Standard Condition

**Competence will be demonstrated**

- at the worksite and classroom

Performance Standard Criteria

**Performance will be successful when learner:**

- Retrieve customer's account information
- Allocate payment to appropriate policy
- Update customer's account based on payment received
- Complete insurance company's payment received records, if required
- Prepare receipt for customer
- Forward or store payment in appropriate location for deposit

Learning Objectives

- Define premium
- Compare and contrast premium payment plans for different policies
- Explain why premium payment plans differ
- List advantages and disadvantages for paying premiums in one annual sum vs. over time

**Comments:**

## **Unit 7: Insurance Services**

Competency

### **3. Identify prospective customers**

Performance Standard Condition

#### **Competence will be demonstrated**

- at the worksite and classroom

Performance Standard Criteria

#### **Performance will be successful when learner:**

- Study the objectives, policies and needs of target customers
- Mail insurance company literature to households and businesses using information from marketing resources
- Obtain referrals from current customers
- Prepare a list of prospective customers
- Perform telemarketing activities as required
- Forecast sales using sales history, popularity indices, and production sheets
- Identify opportunities to sell up to greater coverage for an individual or group

Learning Objectives

- Identify reasons customers would be interested in insurance
- Compare product features and pricing of insurance products offered
- Evaluate risk choices for not taking different kinds of insurance products
- Describe telemarketing techniques that are used to sell insurance
- Discuss the relationship the insurance company has with their customers and community
- Define types of business insurance
- Describe the use of tele-consulting and its impact on insurance marketing practices
- List selling points specific to insurance products at your company
- Describe how to highlight key product features
- Explain the importance of maintaining good relationships with agents, underwriters, and customers
- Explain how to analyze policy options for an insured
- Explain laws and regulations that impact the insured for the type of insurance purchased
- Explain the importance of cross-selling
- Identify the steps of the selling process
- Identify sources for prospective customers
- Describe the potential individual, group, cultural, and situational factors that influence a consumer's decision to buy
- Describe a marketing plan

**Comments:**

## **Unit 7: Insurance Services**

Competency

### **4. Assist to evaluate marketing efforts**

Performance Standard Condition

#### **Competence will be demonstrated**

- at the worksite and classroom
- while working with a worksite professional

Performance Standard Criteria

#### **Performance will be successful when learner:**

- Evaluate service reputation
- Assist with research to determine efforts such as customer satisfaction, customer preferences, market size & growth, buying cycles, etc.
- Examine customer complaints regarding services, products, or personnel
- Suggest services to satisfy customer complaints

Learning Objectives

- Describe the purpose of marketing research
- Explain why market research and customer follow up is important
- Identify methods of conducting marketing research
- Discuss trends and limitations in marketing research
- Analyze details of targeted customers to assess their growth potential and to set quotas
- Explain how to analyze and evaluate sales histories, popularity indices, and production sheets
- Discuss the elements of the promotion mix

**Comments:**

## **Unit 7: Insurance Services**

Competency

### **5. Collaborate with marketing team efforts**

Performance Standard Condition

#### **Competence will be demonstrated**

- at the worksite and classroom

Performance Standard Criteria

#### **Performance will be successful when learner:**

- Cooperate with advertising teams, sales managers, and designers, to plan advertising strategies that will entice people to purchase service
- Research new places to sell services
- Suggest ways to improve services
- Assist with production of advertisements and promotions with team
- Consult with staff to arrange promotional campaigns in all types of media for services to organizations and individuals

Learning Objectives

- Explain the use of the sale presentation
- Explain the role of the insurance agent in marketing efforts
- Describe the importance of personal selling in marketing services
- Discuss the selling process
- Define public relations
- Compare advantages and disadvantages of sales promotion methods and advertising media
- Explain how specific types of advertising will help promote services in the most effective way possible
- List methods to announce a new service to the public
- List ways to communicate a new service to current customers
- Detail types of marketing materials for the insurance industry
- Describe how to identify new advertising markets and how to serve them

**Comments:**

## **Unit 7: Insurance Services**

Competency

### **6. Gather and update information on application**

Performance Standard Condition

#### **Competence will be demonstrated**

- at the worksite and classroom

Performance Standard Criteria

#### **Performance will be successful when learner:**

- Contact current or potential customer
- Create or retrieve customer's application
- Update customer's application based on information received from customer
- Complete and code application
- Save changes on computer and/or file hard copy back in customer's file

Learning Objectives

- Define basic insurance terms such as premiums, claim, deductible, beneficiary, exclusions, endorsement, insured, loss, no-fault, policy, primary insurance, supplementary insurance, rider, term, and waiver
- List types of insurance policies and coverage
- Define parts of automobile coverage, i.e., Liability, Medical Payments, Uninsured Motorists, Coverage for Damage to Automobiles, and Personal Automobile Policy Conditions
- Evaluate homeowners insurance as it relates to the policies--variations, endorsements, and ratings
- Investigate residential insurance concerning policies that include disasters such as earthquakes, floods, fires, and other similar events
- Identify catastrophes that include liability for events such as marine floaters, watercraft policies, and umbrella liability insurance
- Discuss financial planning as it impacts personal loss, social security, retirement plans, and annuities
- Explain the need of life insurance as it affects premature death and the need for life insurance
- Explain term, variable, whole, and universal life policies and forms
- Discuss health care problems in the United States and the need for health and disability insurance and the options one has for coverage such as major medical, dental, long-term care, disability insurance, etc.

**Comments:**

## **Unit 7: Insurance Services**

Competency

### **7. Process customer application for insurance coverage**

Performance Standard Condition

#### **Competence will be demonstrated**

- at the worksite and classroom

Performance Standard Criteria

#### **Performance will be successful when learner:**

- Retrieve customer's application and any additional information
- Review completed application for completeness
- Create file for insurance coverage
- Verify appropriate amounts and types of coverage ordered by agent
- Verify credit scoring
- Store information as required

Learning Objectives

- List the elements of desirability for insuring
- Compare pricing methodologies
- Identify the pricing structure
- Define payment period and payment options
- Define risk as it relates to the insurance company
- Explain the common characteristics of insurance and risk
- Determine premiums, surrender and loan values, and settlement options from tables
- Define Loss ratio and risk as it relates to insurance policies
- Describe the uses of different types of policies
- List rating factors
- Identify situations when insurance will reduce risk
- Compare advantages and disadvantages of gathering information via telephone, fax, email, in person, etc.
- Compare insurance options for individuals and for groups
- Explain the regulatory requirements of different policy choices
- Explain the licensure requirements for selling insurance products
- Explain the use of credit scoring in insurance sales

**Comments:**

## **Unit 7: Insurance Services**

Competency

### **8. Respond to customer inquiries**

Performance Standard Condition

**Competence will be demonstrated**

- at the worksite and classroom

Performance Standard Criteria

**Performance will be successful when learner:**

- Receive customer inquiry
- Verify customer identification
- Retrieve customer account information
- Respond to customer inquiry or refer to appropriate personnel
- Document response in customer's file, if necessary
- Send information requested to customer if applicable

Learning Objectives

- Explain different types of insurance (e.g., life, health, property, liability) and the associated risk covered by the insurance
- Develop an understanding of the products offered in insurance and the difference between them
- Describe the risks borne by insurance companies
- Outline the various forms of policy ownership and titling
- Identify customer service methods to use when encountering an angry customer
- Describe situations which require other staff
- List the limitations of the information/problems that you are allowed to handle

**Comments:**

## **Unit 7: Insurance Services**

Competency

### **9. Assemble insurance contract for mailing**

Performance Standard Condition

**Competence will be demonstrated**

- at the worksite and classroom

Performance Standard Criteria

**Performance will be successful when learner:**

- Verify all pages required for contract are included
- Verify all inserts for type of contract are included
- Retrieve appropriate binders or fasteners
- Assemble each contract in correct order (Declarations, Insuring Agreements, Conditions, Exclusions)
- Double-check order
- Bind or fasten contract

Learning Objectives

- Describe the components of an insurance contract
- Explain the legal principles of insurance such as insurable interest, premiums, compensation and claims payment
- List the parties to an insurance contract
- Explain the rights and obligations of these parties
- Describe the extent of the parties' liabilities
- Discuss the significance of agency in insurance contracts
- Explain the duties an agent owes his master (the Principal)
- Discuss how broad and/or limited the agent duties
- Describe who can sue or be sued in an insurance contract

**Comments:**

## **Unit 7: Insurance Services**

Competency

### **10. Respond to customer change requests**

Performance Standard Condition

**Competence will be demonstrated**

- at the worksite and classroom

Performance Standard Criteria

**Performance will be successful when learner:**

- Receive customer request
- Verify customer identification
- Retrieve customer's account information
- Update customer's account
- Prepare and print change request form, if necessary
- Submit change request form to insurance company if applicable
- Send confirmation of adjusted policy information to customer

Learning Objectives

- Outline the various forms of policy ownership and titling
- List common reasons and the supporting documents necessary for policy changes
- Describe the importance of any legal documentation and verification for policy changes
- Describe situations which require other staff
- List the limitations of the changes that you are allowed to handle

**Comments:**

## **Unit 7: Insurance Services**

Competency

### **11. Manage policy changes**

Performance Standard Condition

#### **Competence will be demonstrated**

- at the worksite and classroom

Performance Standard Criteria

#### **Performance will be successful when learner:**

- Review and verify data such as age, name, address, and principle sum and value of property
- Modify, update, and process policies to reflect changes such as renewals, added endorsements, changes, or other changes in beneficiaries, amounts of coverage, or types of insurance
- Process and record new insurance policies
- Process and record cancelled policies
- Notify agents and/or carriers of changes
- Process and prepare company and government forms as applicable

Learning Objectives

- List common reasons and the supporting documents necessary for policy changes
- Describe the importance of any legal documentation and verification for policy changes
- Describe situations which require other staff
- List the limitations of the changes that you are allowed to handle
- Discuss what is meant by Valuations such as valued policy/replacement cost value/actual cash value
- Describe the process to add endorsements
- Explain the process to renew policies
- Explain the process for underwriting review

**Comments:**

## **Unit 7: Insurance Services**

Competency

### **12. Set up claim file**

Performance Standard Condition

#### **Competence will be demonstrated**

- at the worksite and classroom

Performance Standard Criteria

#### **Performance will be successful when learner:**

- Receive notice of loss
- Retrieve customer's account information
- Verify customer coverage and deductible
- Verify type of loss
- Verify settlement authority
- Input claim information into computer or complete claim form
- Gather supporting documents (e.g., receipts, photos, police report, other driver details, etc.)
- Deliver claim for evaluation

Learning Objectives

- Identify the flow of various types of claims
- Describe the guiding principles of claims assessment
- Compare first party and third party claim forms
- Explain the function of reinsurance brokers

**Comments:**

## **Unit 7: Insurance Services**

Competency

### **13. Review claim file for completeness**

Performance Standard Condition

#### **Competence will be demonstrated**

- at the worksite and classroom

Performance Standard Criteria

#### **Performance will be successful when learner:**

- Retrieve customer's claim information
- Review claim information and determine what is missing
- Access appropriate software on computer
- Compose letter to inform customer of missing information
- Run spell check and proofread letter for correctness of content, format, grammar and punctuation
- Make corrections, as needed
- Print document
- Mail letter to customer

Learning Objectives

- Describe how claim file are managed for settled claims vs. claims requiring detailed analysis
- Describe the value of verified and complete data
- Explain how the claims department interacts with the agent, claims adjuster, and insured

**Comments:**

## **Unit 7: Insurance Services**

Competency

### **14. Update information regarding claims**

Performance Standard Condition

**Competence will be demonstrated**

- at the worksite and classroom

Performance Standard Criteria

**Performance will be successful when learner:**

- Retrieve customer's claim information
- Contact customer on claim status
- Retrieve supporting information
- Update customer's claim based on information received
- Save changes on computer or file hard copies in customer's file
- Submit documentation to company or agent if necessary

Learning Objectives

- Explain how the court makes assessment of claims
- Describe the need for accurate and complete data in the file for a complete claim
- Explain the value of keeping the customer, agent, and home office updated and current on the status of the claim

**Comments:**

## **Unit 7: Insurance Services**

Competency

### **15. Process simple claim**

Performance Standard Condition

#### **Competence will be demonstrated**

- at the worksite and classroom

Performance Standard Criteria

#### **Performance will be successful when learner:**

- Retrieve customer's claim file
- Verify customer coverage, deductible, and loss
- Verify settlement authority
- Verify supporting documents enclosed (e.g., receipts, etc.)
- Deliver claim for evaluation
- After evaluation approval, issue check according to company guidelines
- Deliver check to customer

Learning Objectives

- Explain the importance of maintaining good relationships with agents, underwriters, and customers
- Describe the purpose of actuarial functions and loss control functions
- Discuss risk management in the insurance industry
- Explain ways to recognize fraudulent claims
- Explain how information is analyzed and reported for a simple claim settlement
- Describe how compensation is determined in a simple claim

**Comments:**

## **Unit 7: Insurance Services**

Competency

### **16. Assist to evaluate and settle claim**

Performance Standard Condition

#### **Competence will be demonstrated**

- at the worksite and classroom
- while working with a worksite professional

Performance Standard Criteria

#### **Performance will be successful when learner:**

- Retrieve claim
- Verify coverage
- Perform or order investigation
- Adjust loss
- Review investigation information and contact log
- Determine compensation based on investigation
- Send claim electronically or by mail to appropriate person(s) to issue check
- Prepare letter of explanation to customer
- Print letter
- Mail letter and check to customer
- Refer questionable claims for further investigation

Learning Objectives

- Explain how information is analyzed and reported for claim settlement
- Describe how compensation is determined in a claim
- Define when it is necessary to confer with legal counsel
- Explain when a claim would require litigation
- Describe methods used to evaluate investigation information for claim settlement
- Define reduce loss ratio
- Define the purpose of insurance reserve activities

**Comments:**

## **Unit 7: Insurance Services**

Competency

### **17. Order supporting documents**

Performance Standard Condition

#### **Competence will be demonstrated**

- at the worksite and classroom

Performance Standard Criteria

#### **Performance will be successful when learner:**

- Retrieve appropriate applications
- Obtain authorization from insured to order documentation, as required (e.g., health services, police report, assessor report, mortgage information, testimonials, etc.)
- Complete appropriate application forms
- Send request online or print application
- Mail application, if applicable
- Print request for evaluation
- Send questionnaire to insured, other party and witnesses, if applicable

Learning Objectives

- List possible sources of documentation to be obtained in claims cases such as credit information, police reports, hospital records, home/damage inspection reports, property titles, employment records, etc.
- Describe the process for ordering documentation from different facilities
- Describe the process for ordering and collecting evidence for contested claims
- Explain the importance of confidentiality and your authority limits for obtaining sensitive materials for claims investigations

**Comments:**

## **Unit 7: Insurance Services**

Competency

### **18. Assist to complete investigation**

Performance Standard Condition

#### **Competence will be demonstrated**

- at the worksite and classroom
- while working with a worksite professional

Performance Standard Criteria

#### **Performance will be successful when learner:**

- Retrieve claim
- Determine investigation method(s) (e.g., record interviews, confirm details of claim, take pictures, obtain estimates from local contractors, order supporting documents, etc.)
- Obtain extra directions from claims manager, if applicable
- Make checklist of methods to be used
- Complete investigation

Learning Objectives

- Compare and contrast different methods of investigation and when each would be used in a claims investigation
- Describe interview techniques used by insurance investigators to obtain information

**Comments:**

## **Unit 7: Insurance Services**

Competency

### **19. Assist with investigation report**

Performance Standard Condition

#### **Competence will be demonstrated**

- at the worksite and classroom
- while working with a worksite professional

Performance Standard Criteria

#### **Performance will be successful when learner:**

- Retrieve customer's claim information
- Estimate dollar amount of claim line by line
- Estimate total dollar amount for loss
- Determine reserves amount
- Summarize investigation
- Double-check accuracy of report
- Print document
- Present report to department manager

Learning Objectives

- Describe the importance of thorough documentation and investigating
- Describe the impact of the final claim decision to the insured
- Explain the value of service provided to the insured through the investigation

**Comments:**