



معهد الخليج لدراسات التأمين
GULF INSURANCE INSTITUTE

Management Development Certificate

Claims Management

Course Code	MDCM
Content:	Students must complete the following modules: MD 2.2 Claims Principles and Practice MD 3.1 Finance and Accounting MD 3.2 ICT and its application to Risk and Insurance
Duration	Each module consists of 24 hours of classroom learning involving Lectures, and interactive sessions. Candidates must complete a practical assignment for each module. Participants are allowed to take modules as and when they wish however, the order as they appear above is recommended and the three modules and the examination must be completed within twenty four months. Candidates should devote, for each module, a further 30 hours for private study, further reading and completion of assignment. The assignments are marked and include instructor's comments and advice and carry at 30% of the final examination mark.
Audience	Advanced
Learning Objectives:	At the end of this course participants will be able to:

2.5 - Claims Principles & Practice

- 2.5.1 Discuss the importance of effective claims settlement as part of an insurance company's performance including the importance attached to client retention policies through efficient claims handling
- 2.5.2 Distinguish between the treatment of claims of different categories according to their nature and/or size and the likely process of investigation/settlement to be adopted
- 2.5.3 Discuss the role of various intermediaries in the claims process
- 2.5.4 Explain legal implications including local, national and regional influence on claims practice
- 2.5.5 Explain specific market practice laid down by insurance associations (regional associations and the ABI Statement of Insurance Practice)
- 2.5.6 Discuss claims litigation and settlement trends through mediation and alternative dispute resolution including arbitration and outline the historical development and role of the Financial Services Ombudsman
- 2.5.7 Discuss the importance of claims co-operation at association/market level (regional associations and CUE) and the practical application of systems of current place with due reference to the Data Protection Act focusing on the importance of querying dubious claims/combating fraud
- 2.5.8 Explain the claims process from a management perspective identifying the monitoring and/or control procedures to ascertain client satisfaction differentiating between
 - specific aspects relating to own clients and third party claimants
 - specific profiles of commercial and/or personal lines clients



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- specific characteristics of mass market products (travel, schemes, medical and health etc.)
- 2.5.9 Outline the process undertaken in the event of complaints being received through alleged poor claims handling
- 2.5.10 Elaborate on the importance of information technology in facilitating the processing of complex, routine and/or repetitive claims administration aspects and prompt/accurate reporting
- 2.5.11 Explain reinsurance implications on claims particularly when involving claims notification clauses, claims control clauses, accumulations, aggregate limits etc
- 2.5.12 Discuss the management of outsourced claims operations and delegated authority and the role of various parties - and their deliverables - in the supply chain with specific reference to selection criteria, competencies required and costs involved
- 2.5.13 Discuss the role of Loss Adjustors, Claims Managers, Claims Handlers and Holders of Delegated Authority with specific reference to work and/or information flow and authority levels/control mechanisms
- 2.5.14 Explain the management and/or monitoring of external business continuity and/or catastrophic loss management
- 2.5.15 Discuss the case for help-lines as part of the overall risk management service
- 2.5.16 Discuss cost management aspects
- 2.5.17 Discuss claims reserving and monitoring aspects
- 2.5.18 Explain the effect of claims on underwriting and the significance of periodic actuarial reviews
- 2.5.19 Explain the importance of ISO 9001 and other quality measures on claims processing
- 2.5.20 Discuss the importance of service audits on the claims supply chain

3.1 – Finance and Accounting

- 3.1.1 Explain the principles and objectives of financial accounting within an organisation
- 3.1.2 Define terms which are commonly used in insurance accounting
- 3.1.3 Define the stakeholders of a business organisation and the company's obligations in their regard with particular reference to accounting and financial information.
- 3.1.4 Define the purpose and structure, content of :
 - Directors' report
 - Auditors report
 - Profit and loss account
 - Balance sheet
 - Cash flow statements
 - Notes to the accounts
- 3.1.5 Apply the above to a set of accounts comparing the EU format (with particular reference to the UK) and formats used in the GCC
- 3.1.6 Distinguish between the duties and responsibilities of the directors and officers of the company and the external auditors.



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- 3.1.7 Outline the main requirements affecting Insurance companies and intermediaries under the International Accounting Standards and practice
- 3.1.8 Define Management Accounting and explain its scope
- 3.1.9 Explain the budgetary process and discuss the involvement of managers and business units in this regard
- 3.1.10 Draw up a budget plan apply common techniques for its graphical representation and interpretation
- 3.1.11 Discuss the importance of planning and the control of resources
- 3.1.12 Outline the techniques available to a company to implement cost control and resource allocation and discuss the merits and disadvantages of each.
- 3.1.13 Define the methods and instruments for raising equity for a business organisation
- 3.1.14 Discuss the main types of investments available in the international capital markets and outline the investment strategy constraints imposed by regulators on insurance companies.
- 3.1.15 Explain principles of taxation of insurance business and discuss how it is applied in the UK

3.3 – ICT and its application to Risk and insurance

- 3.3.1 Outline the range of information & communications technologies (ICTs) available and their application to the insurance business
- 3.3.2 Define databases and explain the structure and main components of a database
- 3.3.3 Distinguish between databases used for Online Transactional Processing (OLTP) and online analytical processing (OLAP)
- 3.3.4 Outline the sources of risk data for an insurance company and discuss how this data may be gathered.
- 3.3.5 Explain the basic techniques of representing insurance and risk data using spreadsheets
- 3.3.6 Define some common networking architecture (LAN, WAN, IP, Firewalls etc) and draw up a basic network model for an insurance company and an insurance intermediary.
- 3.3.7 Discuss emerging communication technologies (such as VOIP, 3G and Wi Max) and how they can be applied by insurance companies
- 3.3.8 Explain the main provisions of data protection legislation and the duties, risks and responsibilities of an insurance organisation under such legislation
- 3.3.9 Explain Intellectual Property Rights and discuss licensing issues arising from the use and application of software and intellectual property.
- 3.3.10 Discuss ways in which an insurance organisation can build an e-commerce model
- 3.3.11 Explain ways in which DDE (dynamic data exchange) models can help the insurance industry to become more efficient.
- 3.3.12 Explain the basic architecture of a CRM system and its purpose and use.
- 3.3.13 Discuss company policies with regard to access to email and the internet by staff and its monitoring to prevent abuse.
- 3.3.14 Explain project management and outline the role of a project manager in an ICT

