

Claims practice

Purpose

At the end of this unit, candidates should be able to demonstrate an understanding of how claims are handled.

Assumed knowledge

It is assumed that the candidate already has knowledge of the fundamental principles of insurance as covered in IF1 Insurance, legal and regulatory or equivalent examinations.

Summary of learning outcomes	Number of questions in the examination*
1. Understand key aspects of claims handling.	25
2. Understand key aspects of handling personal lines claims.	7
3. Understand key aspects of handling property and business interruption claims.	7
4. Understand key aspects of handling third party liability claims.	11

* The test specification has an in-built element of flexibility. It is designed to be used as a guide for study and is not a statement of actual number of questions that will appear in every exam. However, the number of questions testing each learning outcome will generally be within the range plus or minus 2 of the number indicated.

Important notes

- Method of assessment:

Mixed assessment consisting of two components, both of which must be passed. One component is a coursework assignment and one is a multiple choice question (MCQ) examination. The details are:

 1. an online coursework assignment using RevisionMate consisting of 10 questions which sequentially follow the learning outcomes. This must be successfully completed within 6 months of enrolment; and
 2. an MCQ exam consisting of 50 MCQs. 1 hour is allowed for this exam. This exam must be successfully passed within 18 months of enrolment.
- This syllabus will be examined from 1 May 2024 until 30 April 2025.
- Candidates will be examined on the basis of English law and practice unless otherwise stated.
- This PDF document has been designed to be accessible with screen reader technology. If for accessibility reasons you require this document in an alternative format, please contact us at online.exams@cii.co.uk to discuss your needs.
- Candidates should refer to the CII website for the latest information on changes to law and practice and when they will be examined:
 1. Visit www.cii.co.uk/qualifications
 2. Select the appropriate qualification
 3. Select your unit from the list provided
 4. Select qualification update on the right hand side of the page

1. Understand key aspects of claims handling.

- 1.1 Explain the requirements and application of UK regulation affecting claims handling.
- 1.2 Describe how the existence of cover is determined under the policy.
- 1.3 Identify the importance and uses of claims information, including the underwriting file.
- 1.4 Explain the uses of and importance of claims reserving.
- 1.5 Explain the special requirements for handling international claims.
- 1.6 Describe common indicators of fraudulent claims and how fraud is investigated.
- 1.7 Explain the importance of identifying and pursuing potential recoveries.
- 1.8 Explain the particular requirements in handling reinsurance claims.

2. Understand key aspects of handling personal lines claims.

- 2.1 Explain how to investigate a personal lines claim.
- 2.2 Describe how the indemnity will be valued for a personal lines claim.
- 2.3 Describe how a personal lines claim will be settled.
- 2.4 Describe the process for declined personal lines claims that have been disputed by the policyholder.
- 2.5 Apply key aspects of handling personal lines claims to various claims scenarios.

3. Understand key aspects of handling property and business interruption claims.

- 3.1 Explain how to investigate a property and business interruption claims.
- 3.2 Describe how the indemnity for a property and business interruption claim will be valued.
- 3.3 Describe how a property and business interruption claim will be negotiated and settled.
- 3.4 Describe the process for declined property and business interruption claims that have been disputed by the policyholder.
- 3.5 Apply key aspects of handling property and business interruption claims to various claims scenarios.

4. Understand key aspects of handling third party liability claims.

- 4.1 Explain how to investigate a third party liability claim.
- 4.2 Describe how the indemnity for a third party liability claim will be valued.
- 4.3 Describe how a third party liability claim will be negotiated and settled.
- 4.4 Explain the provisions of the Civil Procedure Rules when dealing with third party liability claims.
- 4.5 Explain the key requirements in handling professional indemnity claims.
- 4.6 Apply key aspects of handling third party liability claims to various claims scenarios.

Reading list

The following list provides details of further reading which may assist you with your studies.

Note: The examination will test the syllabus alone.

The reading list is provided for guidance only and is not in itself the subject of the examination.

The resources listed here will help you keep up-to-date with developments and provide a wider coverage of syllabus topics.

CII study texts

Claims practice. London: CII. Study text M85.

Insurance, legal and regulatory. London: CII. Study text IF1.

Books (and ebooks)

Bingham & Berryman's personal injury and motor claims cases. 16th revised ed. Ruth Graham et al (eds). London: LexisNexis, 2023.

Claims handling law and practice. 4th ed. Richard West et al. London: Kennedys Law LLP, 2022.

'Claims handling'. Chapter – Insurance theory and practice. Rob Thoys. New York: Routledge, 2010.*

'Claims under the policy'. Chapter 14 in Bird's modern insurance law. 12th ed. John Birds. London: Sweet & Maxwell, 2022.

'Claims procedure'. Chapter – The law of insurance contracts. 6th ed. Malcolm A Clarke et al. London: Informa, 2009.

Colinvaux's law of insurance. 13th ed. London: Sweet & Maxwell, 2022.

Drafting insurance contracts: certainty, clarity, law and practice. Christopher Henley. London: Leadenhall press, 2010.

Insurance claims. 5th ed. Alison Padfield. Bloomsbury Professional, 2021.

Insurance disputes. Jonathan Mance, Iain Goldrein, Robert Merkin. 3rd ed. London: Informa, 2011.

Subrogation: law and practice. Charles Mitchel et al. Oxford: Oxford University Press, 2007.

'Subrogation'. Chapter – Law of insurance contracts. 6th ed. Malcolm A Clarke. London: Informa, 2009.

* Also available as an eBook through eLibrary via www.cii.co.uk/elibrary (CII/PFS members only).

Online resources

The Insurance Institute of London (IIL) provides access to lectures from leading industry figures and subject experts speaking on current issues and trends impacting insurance and financial services. Available online at www.cii.co.uk/learning/insurance-institute-of-london (CII/PFS members only).

Civil procedure rules. Alan Peck.

Fraudulent claims. Beverley Lyn.

Subject gateway on insurance claims. Updated regularly. Available online via www.cii.co.uk/claims.

Further articles and technical bulletins are available at www.cii.co.uk/learning/elibrary/ (CII/PFS members only).

Journals and magazines

The Journal. London: CII. Six issues a year.

Post magazine. London: Incisive Financial Publishing. Monthly. Contents searchable online at www.postonline.co.uk.

Access to further periodical publications is available from the Knowledge website at www.cii.co.uk/journalmagazines (CII/PFS members only).

Reference materials

Concise encyclopedia of insurance terms. Laurence S. Silver, et al. New York: Routledge, 2010.*

Dictionary of insurance. C Bennett. 2nd ed. London: Pearson Education, 2004.

Insurance: Conduct of Business sourcebook (ICOBS). Available via www.handbook.fca.org.uk/handbook/ICOBS.

Exemplars

Exemplar papers are available for all mixed assessment units. Exemplars are available for both the coursework component and the MCQ exam component.

These are available on the CII website under the unit number before purchasing the unit. They are available under the following link www.cii.co.uk/qualifications/diploma-in-insurance-qualification.

These exemplar papers are also available on the RevisionMate website (ciigroup.org/login) after you have purchased the unit.

Exam technique/study skills

There are many modestly priced guides available in bookshops. You should choose one which suits your requirements.