

**Insurance Management**

Code: 102092  
ECTS Credits: 6

Degree	Type	Year	Semester
2501231 Accounting and Finance	OT	4	0

The proposed teaching and assessment methodology that appear in the guide may be subject to changes as a result of the restrictions to face-to-face class attendance imposed by the health authorities.

### Contact

Name: Jordi Celma Sanz  
Email: Jordi.Celma@uab.cat

### Use of Languages

Principal working language: catalan (cat)  
Some groups entirely in English: No  
Some groups entirely in Catalan: No  
Some groups entirely in Spanish: Yes

### Prerequisites

There are not prerequisites

### Objectives and Contextualisation

The student must know the structure of the business of insurance companies, both in terms of life and various. They should also be aware of the economic importance of this sector and the role of cost accrual and risk-sharing in insurance activities for both companies and individuals. You should be able to understand the different types of insurance, their technical bases, the composition of the income and expenditure of insurance companies, technical provisions, risk distribution and investment management.

### Competences

- Communicating in oral and written form in Catalan, Spanish and English, in order to be able to summarise and present the carried out project in both forms.
- Demonstrating a comprehension of the principles, structure, organisation and inner workings of companies and organisations.
- Efficiently searching information, discriminating irrelevant information.
- Organising the work, regarding order and planning.
- Planning and conducting the accounting organization of a company or group of companies.
- Students must be capable of communicating information, ideas, problems and solutions to both specialised and non-specialised audiences.
- Students must develop the necessary learning skills to undertake further training with a high degree of autonomy.

### Learning Outcomes

1. Applying the specific marketing strategies of intangible goods like the ones commercialised by banks and insurance companies.

2. Communicating in oral and written form in Catalan, Spanish and English, in order to be able to summarise and present the carried out project in both forms.
3. Describing the solvency regulations and guarantees of the activity of various financial intermediary activities.
4. Designing strategies and selecting appropriate products for the different risk profiles.
5. Efficiently searching information, discriminating irrelevant information.
6. Identifying the risk profiles of the people and families being advised.
7. Naming the specific accounts of banks and insurance companies, managing them and knowing how to interpret their evolution in subsequent years.
8. Organising the work, regarding order and planning.
9. Students must be capable of communicating information, ideas, problems and solutions to both specialised and non-specialised audiences.
10. Students must develop the necessary learning skills to undertake further training with a high degree of autonomy.

## Content

### INSURANCE MANAGEMENT.

#### 1. - The risk.

Concept of risk. Risk classes. Insurable risks and non-insurable risks. Behaviour in the face of risk. Risk prevention. Risk selection and monitoring. Risk analysis: identification, assessment and management.

#### 2. - Insurance.

The economic, social and legal nature of the insurance. Type of insurance. Insurance history. Type of insurance companies: joint-stock companies, mutual insurance companies, mutual insurance companies and cooperative insurance companies. Insurance in our country. Importance of insurance to economic activity. Insurance as an institutional investor. Billed premiums, claims paid and resources managed. Insurance as an instrument for channelling savings. Insurance and job creation.

#### 3. - Personal insurance.

Personal insurance: life insurance (risk, savings and mixed), accident insurance, health insurance and burial insurance. Coverage and exclusions of the different types of insurance.

#### 4. - Property and casualty insurance.

Credit insurance, surety insurance, civil liability insurance, insurance of various pecuniary losses, legal defence insurance and travel assistance insurance. Coverage and exclusions of the different types of insurance.

#### 5. - Damage insurance.

Fire insurance, theft insurance, motor vehicle insurance, freight insurance, ship and aircraft insurance.

Multi-risk insurance. Coverage and exclusions of the different types of insurance.

#### 6. The control and supervision of insurance entities.

Functions of the Directorate General of Insurance and Pension Funds. Functions delegated to the Generalitat de Catalunya. Access to the activity. Companies based in Spain and companies based in other European Community countries: Freedom of Establishment Regime and Free Provision of Services Regime. Financial guarantees required from insurance companies: Share capital, solvency margin and guarantee fund. Fundamental aspects of Law 30/1995 on the Regulation and Supervision of Private Insurance.

#### 7. - The insurance contract.

Concept and nature. Personal elements of the contract: insurer, policyholder, insured and beneficiary.

Perfection and duration of the contract. The resignation. Contract documentation. The insurance proposal, the insurance application, the membership form, the policy, the individual certificate and the supplements.

Obligations and duties of the parties. Individual and group insurance. Fundamental aspects of Law 50/1980 on insurance contracts.

#### 8. - Technical Fundamentals of Insurance.

Pure premium, inventory premium and tariff premium. Risk premium and savings premium. Calculation of probabilities and the law of large numbers. Notions of financial vs. actuarial mathematics. Frequency and intensity of claims. Statistical information. Usual databases. Security surcharge. Homogenization of risks.

Technical Fundamentals of Life Insurance. Mortality and survival tables, technical interest, surcharges to cover management costs. Actuarial calculation of one-time and periodic premiums.

#### 9. - The sum insured.

The insured interest. The capital and the sum insured. Insurance systems: full value insurance, partial value insurance and first risk insurance. Overinsurance and Underinsurance. Proportional rule and equity rule.

Self-insurance, franchises and deficiencies. Un servicio de

#### 10. - The premium.

The premium and the price of the insurance. The pure premium. The security surcharge. The surcharge to cover management costs and to cover commercial costs: inventory premium and tariff premium. External surcharges to the premium: tax on insurance premiums, surcharge for the Consortium of Insurance Compensation and rate for the Liquidation Commission of Insurance Companies. Time, form and place of payment of the premium. Treatment of unpaid receipts.

#### 11. - Technical provisions.

Technical provisions for premiums: the provision for unearned premiums, the provision for current risks and the mathematical provision. Provisions for pending claims. Provision for premiums receivable. Allocation to provisions.

#### 12. - Claims management.

The claim and its processing. External collaborators. Provisions for claims: provision for claims pending payment, provision for claims pending settlement and provision for claims pending declaration (IBNR). Methods of calculating the provision for outstanding claims. Study of claims. Quality in claims management.

#### 13. - Reinsurance.

Functions of reinsurance: technical, economic and financial. Type of reinsurance contracts. Proportional reinsurance: share and surplus. Non-proportional reinsurance: excess loss and stop loss. The reinsurance market.

#### 14. - The investments of insurance companies.

The investment of technical provisions. Eligible Assets. Diversification and dispersion limits. Valuation of assets for the purpose of covering technical provisions. Liquidity management. Type of investment portfolios. Investment risk management. Management of assets and liabilities (ALM) to life insurance savings. Portfolio immunization: immunization techniques for cash flow matching and duration immunization techniques. The management of real estate investments.

#### 15. - The accounting of insurance entities.

The Accounting Plan of the Insurance Companies. The balance. The profit and loss account: technical life account, technical non-life account and non-technical account. The most common key figures. Sources of profit for insurance companies. The constitution of patrimonial reserves. The Annual Report.

The solvency of insurance companies.

Share capital and reserves. Coverage of technical provisions. Solvency margin and guarantee fund. Upcoming changes in risk management and solvency for insurance companies, from 2016, derived from the European sector project Solvency II.

#### 17. - The distribution of insurance.

Fundamental aspects of Law 26/2006 on Private Insurance Mediation. Type of intermediaries: insurance agents, insurance brokers and bancassurance operators. Rights and obligations. The insurance mediation market. The remuneration of insurance intermediaries: commissions, rebates and invoicing of professional services. Reinsurance brokers.

#### 18. - The management of insurance companies.

The functions of the insurance company: commercial functions, technical functions, accounting and financial functions, administrative functions, human resources management function and internal control function. Organisational models: by function, by branch and mixed models. Organization in entities of financial groups and multinational groups.

## Methodology

Teaching will be offered on campus or in an on-campus and remote hybrid format depending on the number of students per group and the size of the rooms at 50% capacity.

The proposed teaching methodology may undergo some modifications according to the restrictions imposed by the health authorities on on-campus courses

The activities that allow the students to achieve the objectives of the course will be:

#### 1. Theoretical classes with professors will develop the main concepts

The aim of this activity is to present the most important concepts of the material, the necessary basic demonstrations and the aspects that are usually made more mistakes in the application of the theoretical concepts.

#### 2. Practical classes

The teacher will present questions and doubts that will be resolved jointly by posing the usual errors the students make.

#### 3. Resolution of questions by students

Each topic will be associated with a list of questions that will be resolved individually. Serveix to assimilate the theoretical concepts exposed to class.

Periodically they will comment in the practical classes on the resolution of these questions.

#### 4. Face-to-face tutorials

The student has a few hours with the professors of the subject to resolve their theoretical and practical doubts in person.

## Activities

Title	Hours	ECTS	Learning Outcomes
Type: Directed			
practices	13	0.52	1, 5, 7, 3, 4, 6, 10, 9, 2
theory	33	1.32	1, 5, 7, 3, 4, 6, 10, 9, 2
Type: Supervised			
tutoring	20.5	0.82	1, 5, 7, 3, 4, 6, 8, 10, 9, 2
Type: Autonomous			
activities	50	2	1, 5, 7, 3, 4, 6, 8, 10, 2
study	30	1.2	1, 5, 7, 3, 4, 6, 8, 10, 9, 2

## Assessment

The proposed evaluation activities may undergo some changes according to the restrictions imposed by the health authorities on on-campus courses.

1. An appraisal activity that represents 25% of the grade, and which will cover topics 1 to 8 On October . It is not possible to consult the subject material. The maximum resolution time will be 90 minutes.

2. An appraisal activity that represents 25% of the grade and that will include the others themes in the second week of December.

It is not possible to consult the subject material. The maximum resolution time will be 60 minutes.

3. An individual test, which represents 50% of the grade i that includes all the material of the course in the date foreseen in the calendar

#### Calendar of evaluation activities

The dates of the evaluation activities (midterm exams, exercises in the classroom, assignments, ...) will be announced well in advance during the semester.

The date of the final exam is scheduled in the assessment calendar of the Faculty.

"The dates of evaluation activities cannot be modified, unless there is an exceptional and duly justified reason why an evaluation activity cannot be carried out. In this case, the degree coordinator will contact both the teaching staff and the affected student, and a new date will be scheduled within the same academic period to make up for the missed evaluation activity." Section 1 of Article 115. Calendar of evaluation activities (Academic Regulations UAB). Students of the Faculty of Economics and Business, who in accordance with the previous paragraph need to change an evaluation activity date must process the request by filling out an Application for exams'

reschedule [https://eformularis.uab.cat/group/deganat\\_feie/application-for-exams-reschedule](https://eformularis.uab.cat/group/deganat_feie/application-for-exams-reschedule)

#### Grade revision process

After all grading activities have ended, students will be informed of the date and way in which the course grades will be published. Students will be also be informed of the procedure, place, date and time of grade revision following University regulations.

#### Retake Process

"To be eligible to participate in the retake process, it is required for students to have been previously been evaluated for at least two thirds of the total evaluation activities of the subject." Section 3 of Article 112 ter. The

recovery (UAB Academic Regulations). Additionally, it is required that the student to have achieved an average grade of the subject between 3.5 and 4.9.

The date of the retake exam will be posted in the calendar of evaluation activities of the Faculty. Students who take this exam and pass, will get a grade of 5 for the subject. If the student does not pass the retake, the grade will remain unchanged, and hence, student will fail the course.

Irregularities in evaluation activities

In spite of other disciplinary measures deemed appropriate, and in accordance with current academic regulations, "in the case that the student makes any irregularity that could lead to a significant variation in the grade of an evaluation activity, it will be graded with a 0, regardless of the disciplinary process that can be instructed. In case of various irregularities occur in the evaluation of the same subject, the final grade of this subject will be 0". Section 10 of Article 116. Results of the evaluation. (UAB Academic Regulations).

## Assessment Activities

Title	Weighting	Hours	ECTS	Learning Outcomes
final test	50%	2	0.08	1, 5, 7, 3, 4, 6, 8, 10, 9, 2
first test	25%	1.5	0.06	1, 5, 7, 3, 4, 6, 8, 10, 9, 2
getting a job	25%	0	0	1, 5, 7, 3, 4, 6, 8, 10, 9, 2

## Bibliography

Bermúdez Morata, Ll. *et al.* (2004). "Introducció al món de les assegurances". Edicions Universitat de Barcelona.

Busquets Roca, F. (1988) "Teoria General del Seguro", Vicens-Vives

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