ACTUARIAL SOCIETY OF SOUTH AFRICA

QUANTIFYING RISK, ENABLING OPPORTUNITY

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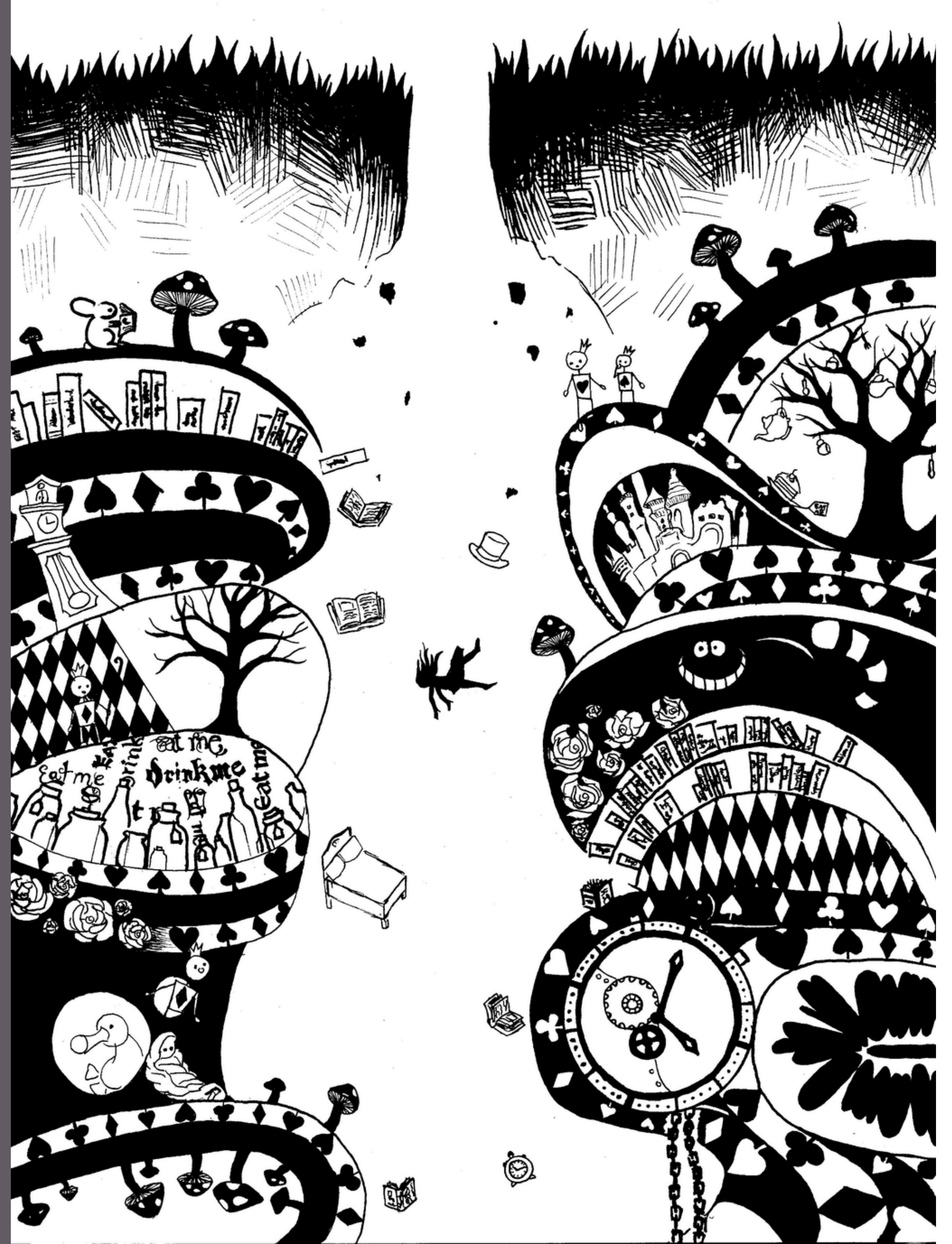
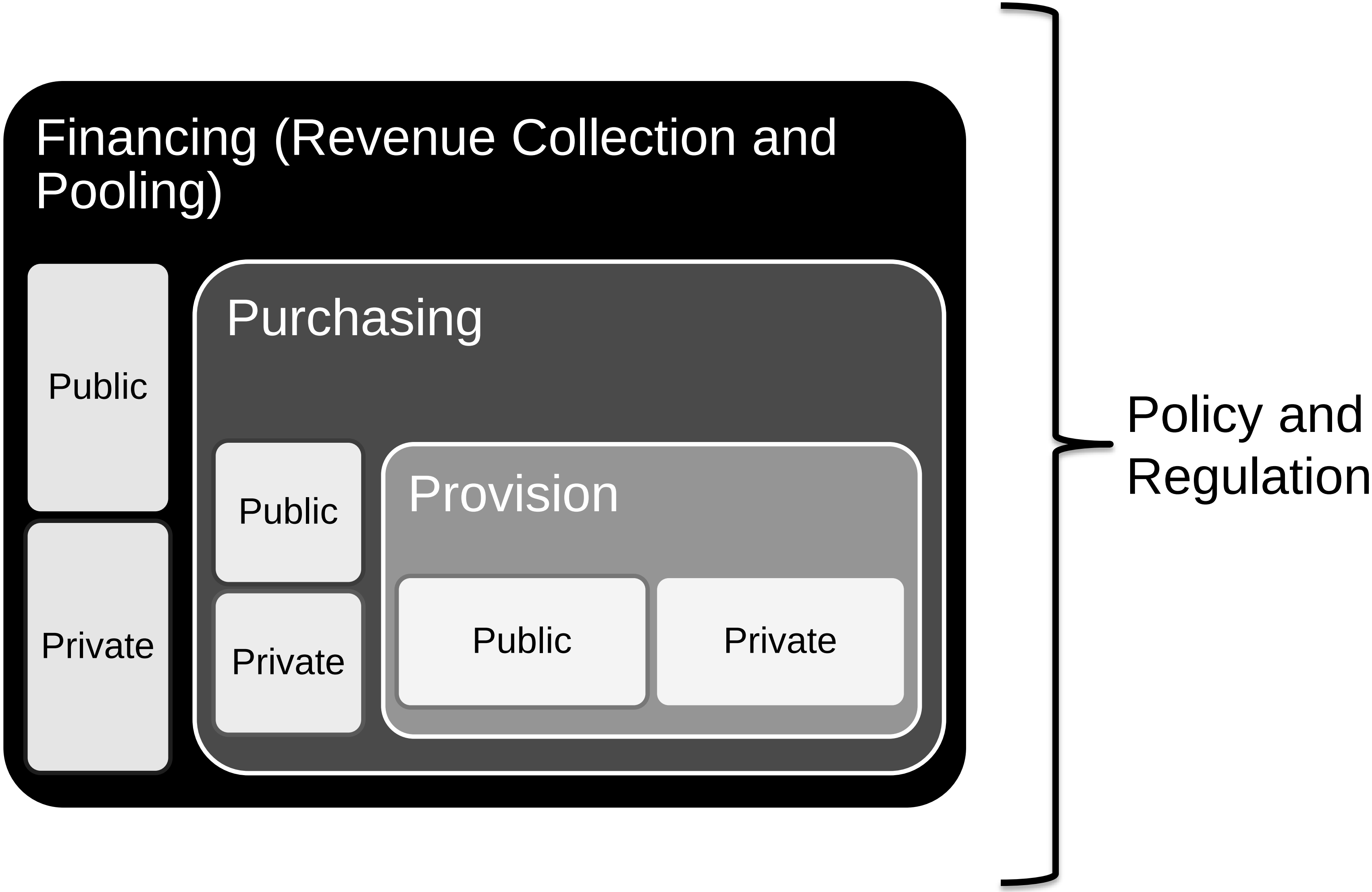
Down the Rabbit Hole: Actuarial Practice in the Public Sector

“ a metaphor for an entry into the unknown, the disorientating ”



Source: Wikipedia

- Why is public sector work important?
- How is public sector work different?
- The Wider Fields Mantra
- How do we support and develop public-sector practice?



Financing (Revenue Collection and Pooling)
Public
Private
Purchasing
Public
Private
Provision
Public
Private
Policy and Regulation

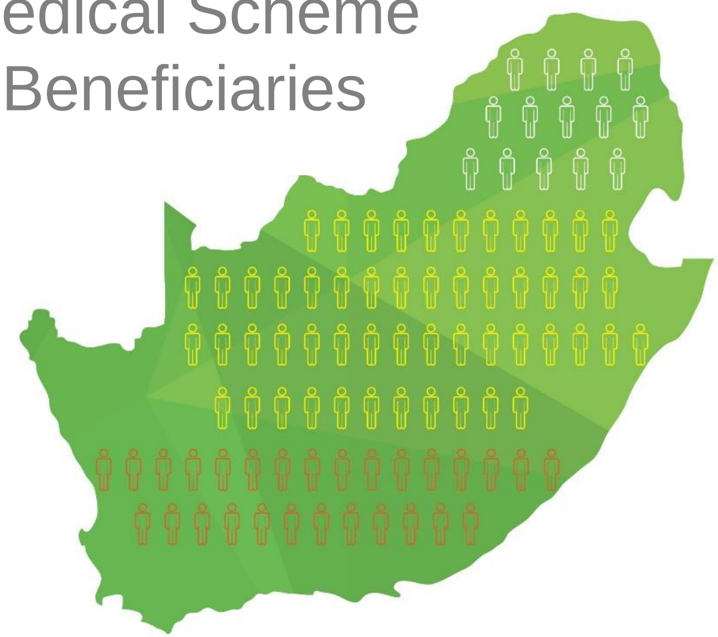
What is your primary area of practice?

1. Private-sector financing (e.g. pricing, reserving, budgeting)
2. Private-sector purchasing (e.g. managed care)
3. Private-sector provision (e.g. hospital consulting)
4. Public-sector
5. Policy and/or regulation
6. Other

Health System Context

54 Million People

8.8 Million Medical Scheme Beneficiaries

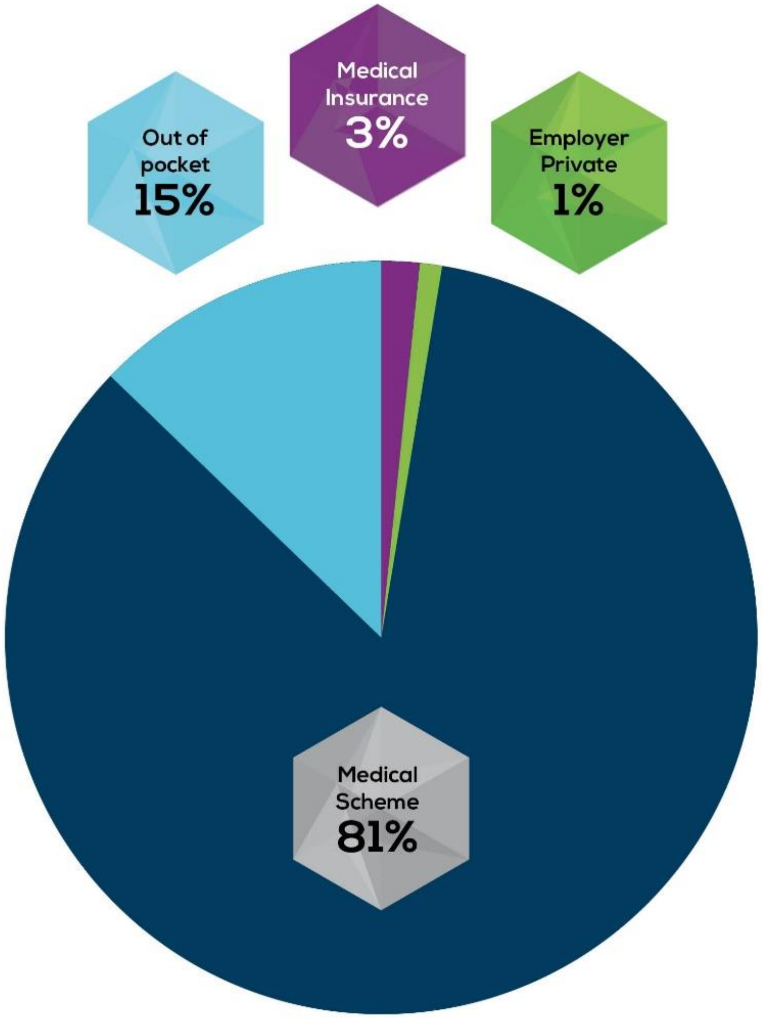


	DOCTORS	SPECIALISTS	HOSPITALS	BEDS
PUBLIC	13 656	4 986	410	85 362
PRIVATE	8 119	7 588	357	36 200

Financial Flows

286 Billion on health care – nearly 50/50 allocation between private and public.

Private Spend Break Down



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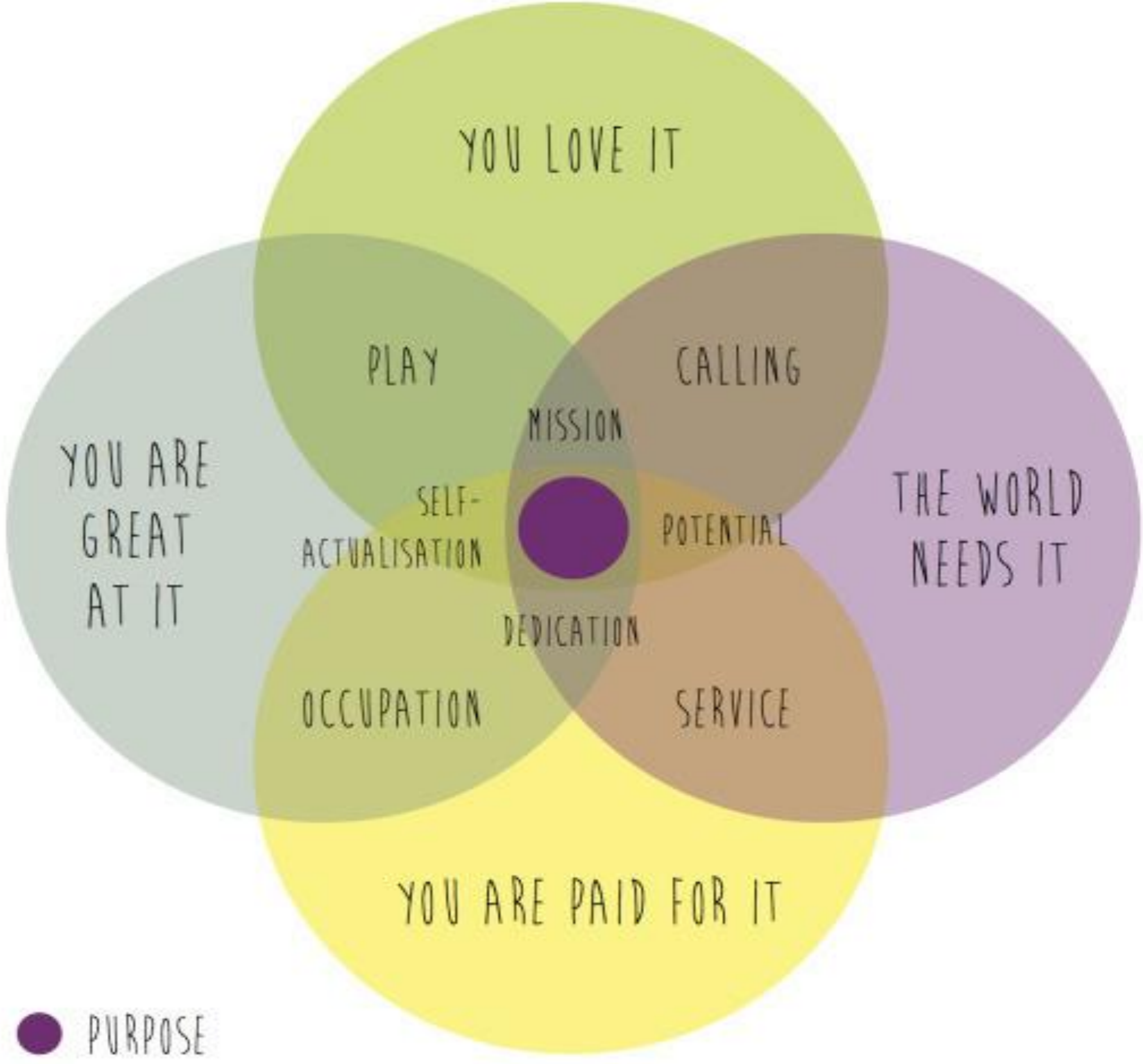
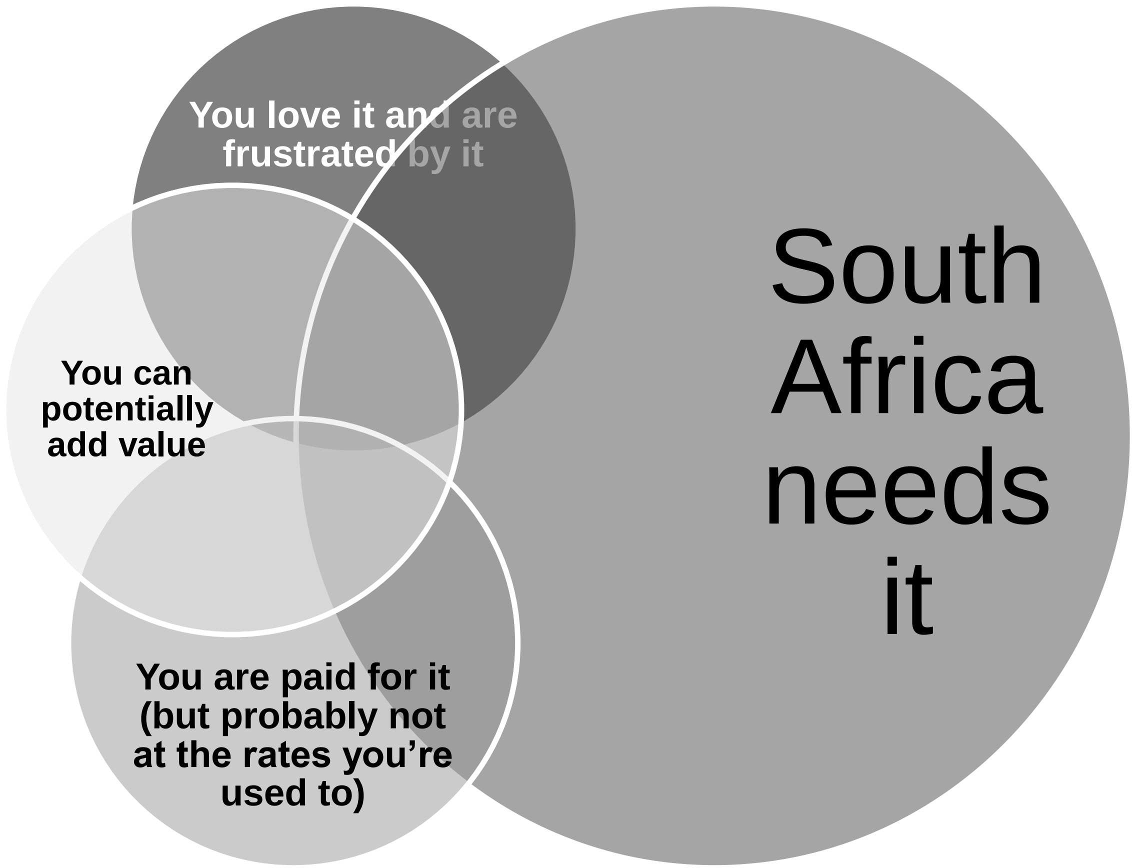
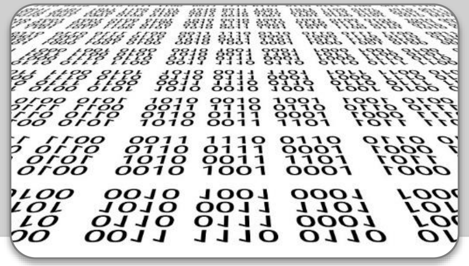
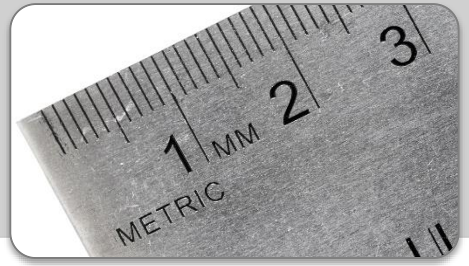

YOU LOVE IT
PLAY
CALLING
MISSION
YOU ARE GREAT AT IT
SELF-ACTUALISATION
POTENTIAL
THE WORLD NEEDS IT
DEDICATION
OCCUPATION
SERVICE
YOU ARE PAID FOR IT
PURPOSE


You love it and are frustrated by it
You can potentially add value
You are paid for it (but probably not at the rates you're used to)
South Africa needs it

How is Public Sector Work Different?





Data

Metrics

Process

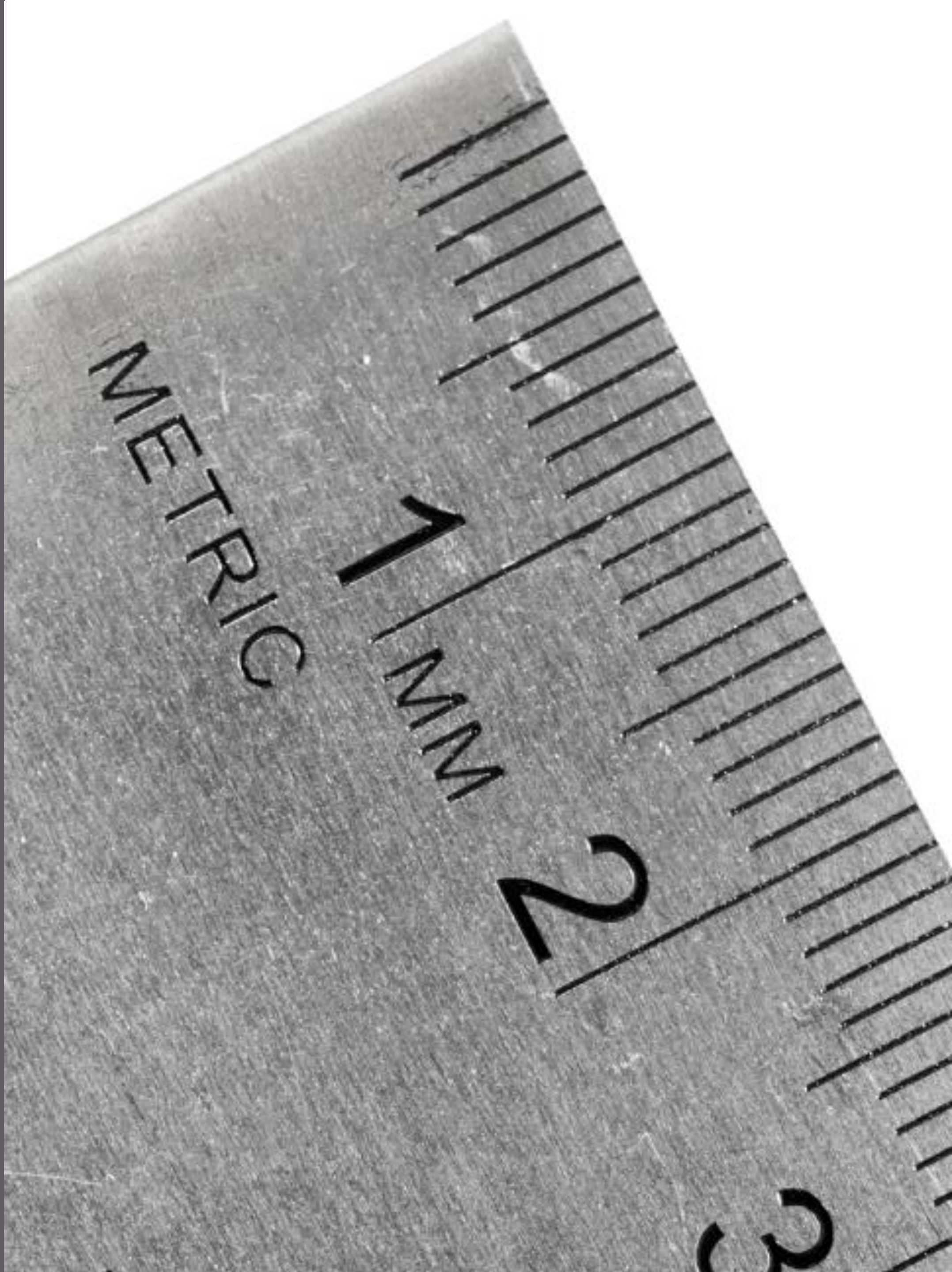
DATA

- Data availability
- Data quality
- The politics of data

PRAGMATISM & JUDGEMENT

METRICS & LANGUAGE

- Political landscape
- Who is the end-user?
- Communication



PROCESS

- Decision making
- Policy making
- Timelines

“ You don’t know what you don’t know ”

The Wider-Fields Mantra: You Don't Know What You Don't Know

Problem-solving frameworks

Research

Trust, humility & respect

PROBLEM SOLVING FRAMEWORKS

“There is an old saying that a problem well put is half solved. This much is obvious. What is not so obvious is how to put a problem well.” (Churchman, Ackoff and Arnoff, 1957)

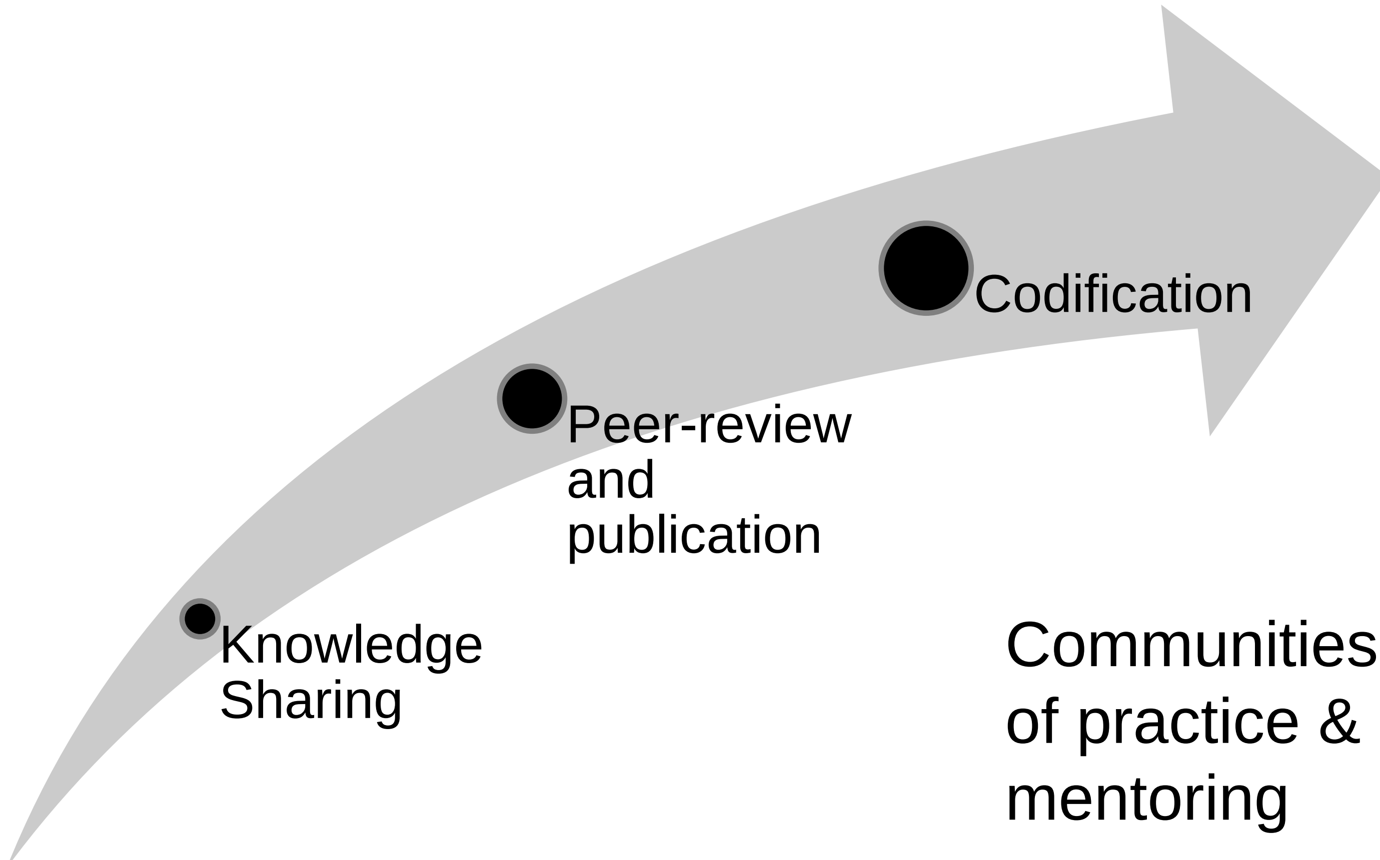
RESEARCH

- Lack of an established body of actuarial knowledge – need to consider more broadly
- Key to help create a body of peer-reviewed material

HUMILITY, TRUST, RESPECT

- Like any new area relationships are key
- Professionalism is always important, but even more so when there are substantial unknowns and the potential consequences are large

Support & Development



Communities of practice & mentoring