

Impactful Scheme Interventions

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Setting the scene



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Current environment

Scheme Pressures

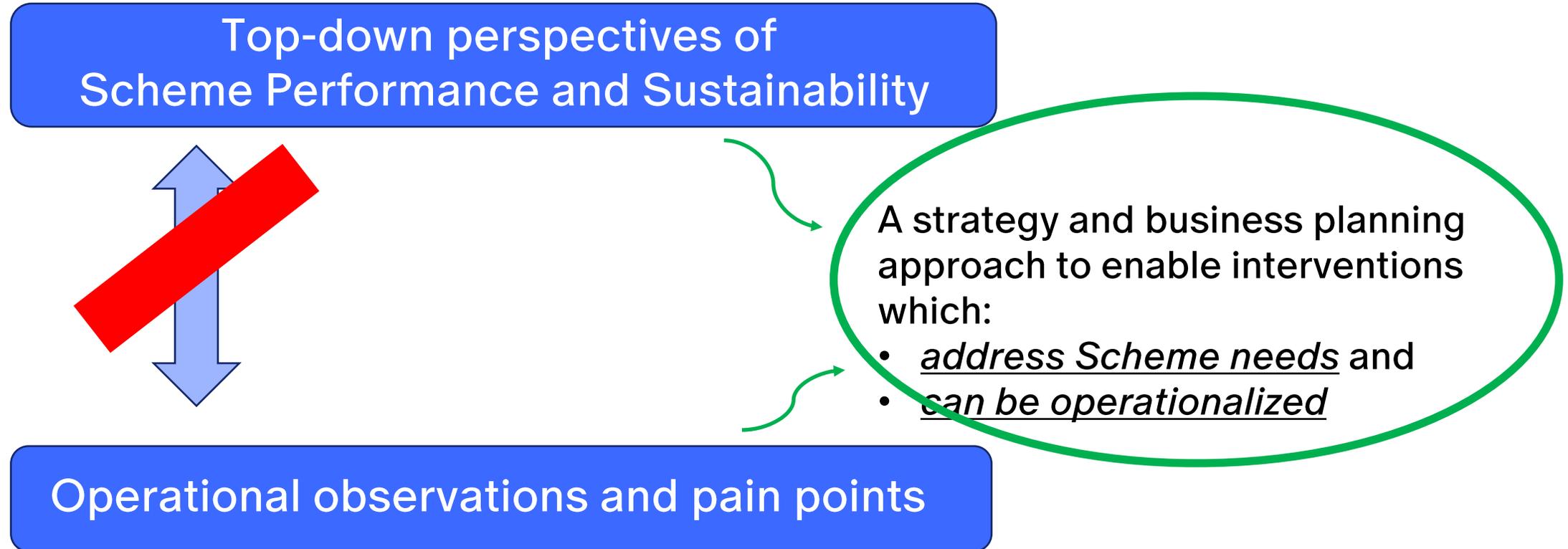
Scheme Reform

Balancing act between financial and social outcomes

The need for a balanced scorecard



Challenges impacting Schemes



Focus, Scale, Control

Focus, Scale, Control

Focus

- Channeling our attention, energy and resources to increase our likelihood of achieving outcomes.

Scale

- Designing and executing large scale bodies of work to impact large scale issues

Control

- Bringing a disciplined and structured approach to our work to ensure it remains integrated and aligned.



Focusing the efforts of everyone across a scheme is challenging

- ⊗ Too many pilots
- ⊗ Saying yes to every idea, nothing stops
- ⊗ Managing many little things hoping the big needle move
- ⊗ Teams and individuals operate in silos
- ⊗ Bottom-up business planning
- ⊗ Things fall off the annual plan before they are done



Tackling issues of the big issues

Identified Scheme pressure

- Growth in average cost for a benefit type

Identified "waste"

- Policy bug-bear based on anecdotal evidence

Resolved the waste

- Policy change implemented, waste virtually eliminated

Scheme pressure gets worse

- Valuation goes up anyway

The remediated waste was an example of real leakage that the Scheme was incurring...

... but it was tiny.



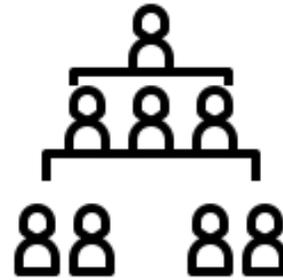
Controlling the delivery of work is crucial



Prioritisation



Accountability



Governance



Monitoring
& reporting



Opportunity for good practice – the tail

Opportunity across many long-tail scheme

- A significant liability
- A traditionally under-emphasized cohort for claims management

Considerations in design

- Not about ceasing claims – following a process to ensure appropriate funding is provided

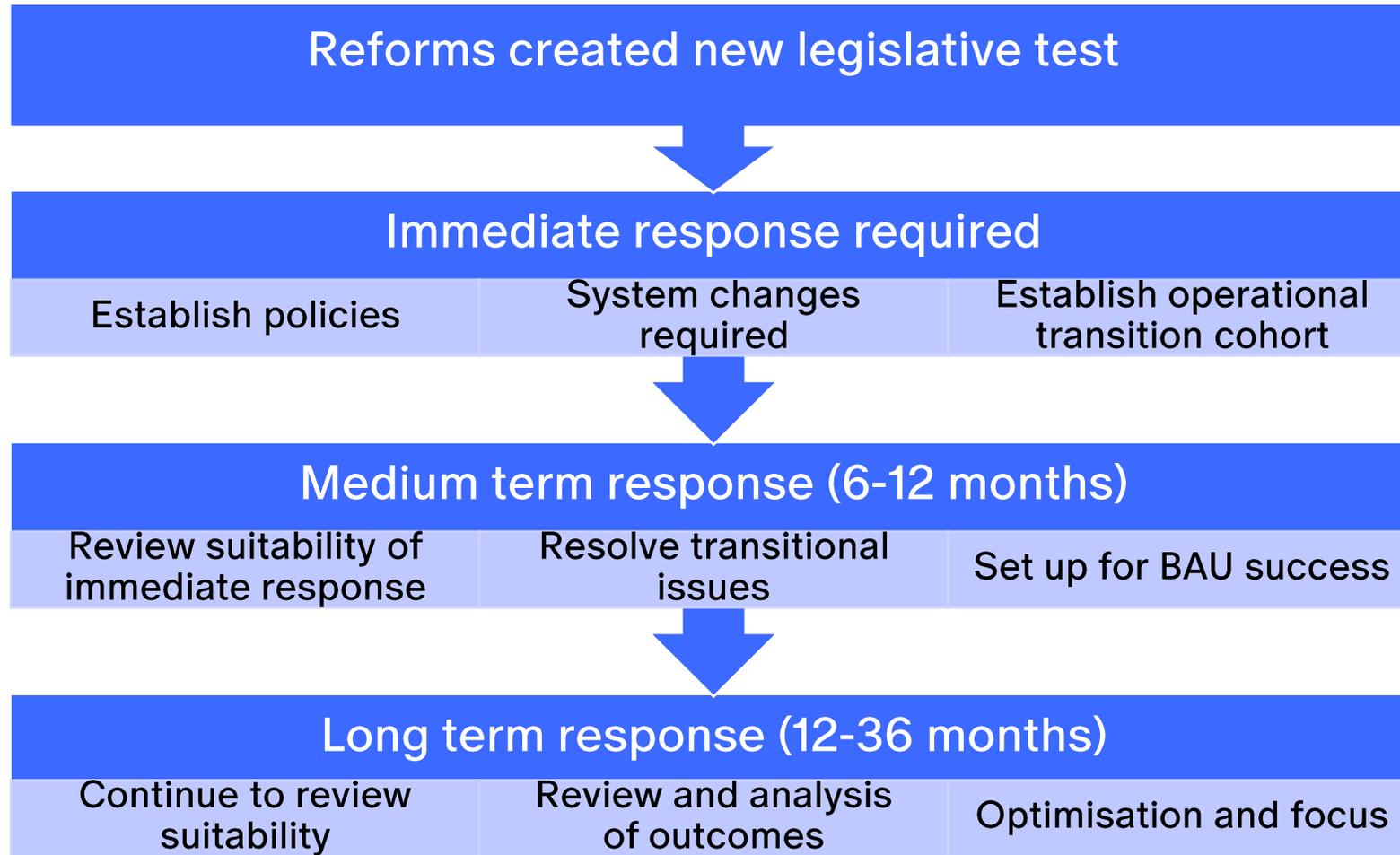
Focus scale and control

- Easy to quantify up-front (*scale*)
- A discrete program to *focus* on
- Can be chunked up aligned to the actuarial valuation

not clinically



Staying focused and aligned to valuation risks



Importance of reform recognized, ongoing focus applied, and tightly governed.



Incorporation into planning

Balancing the scorecard



Incorporate the right things on your scorecard



Update the scorecard when balance isn't right



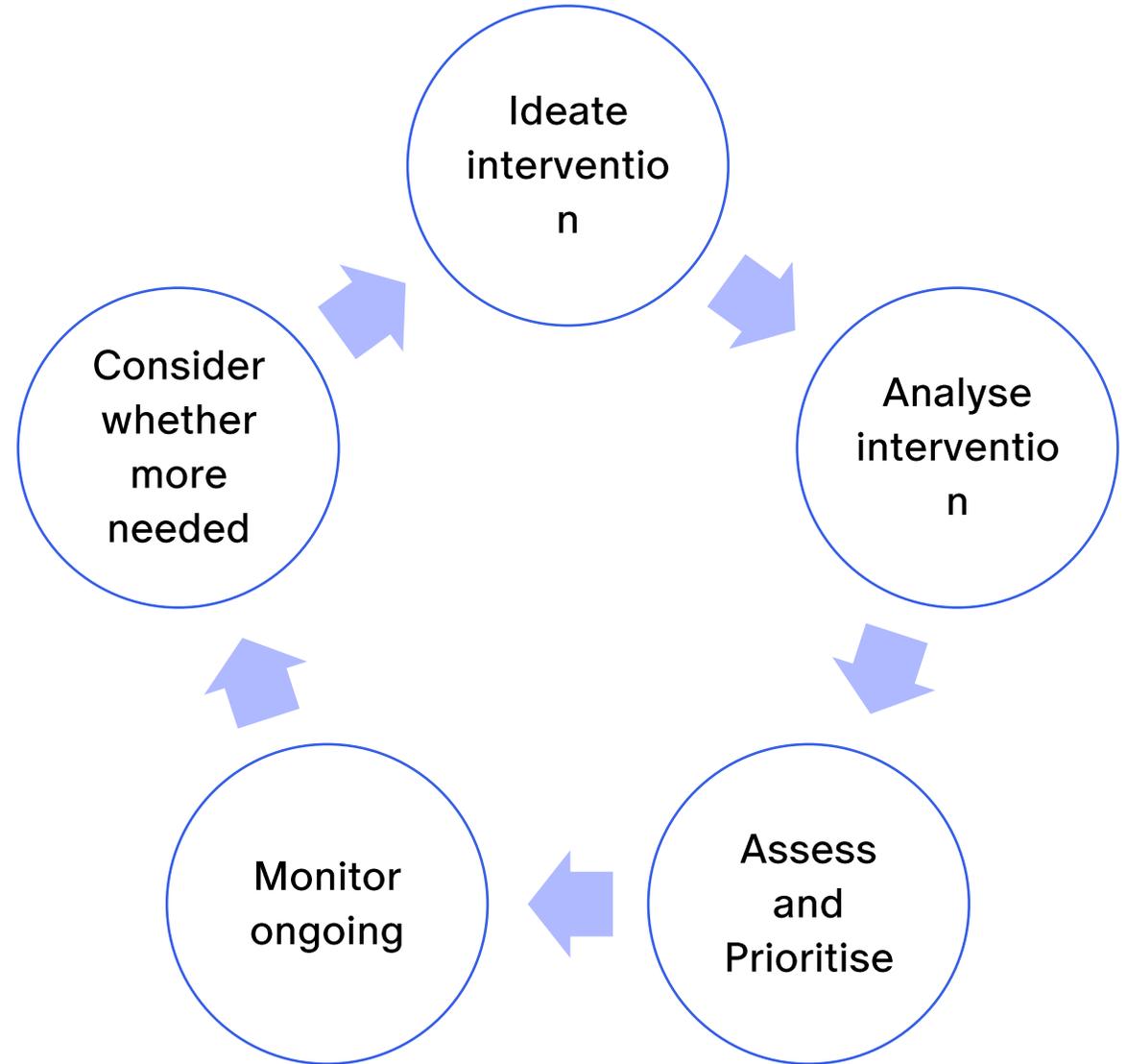
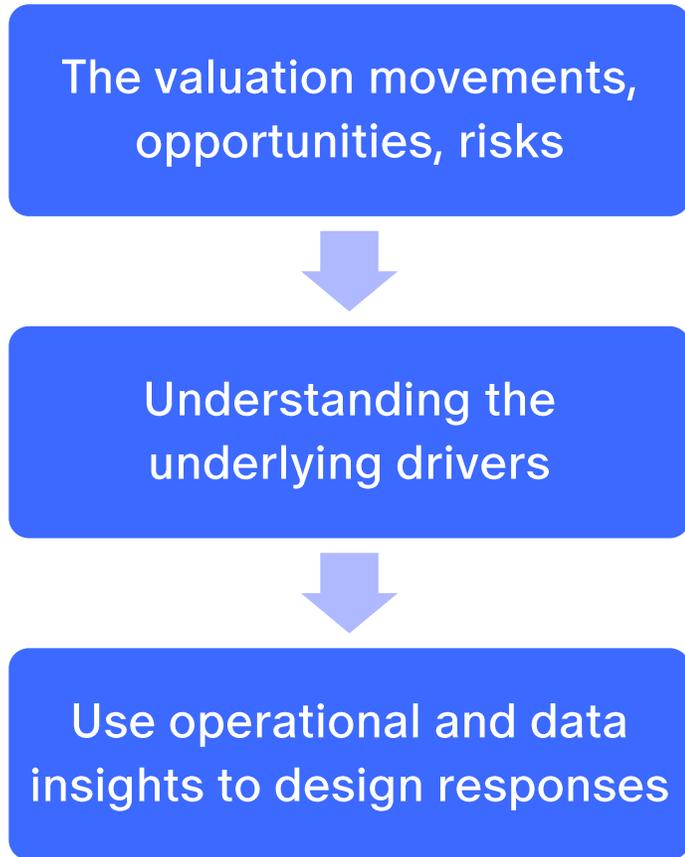
Focus on rigour and fairness, not benefit cessation



Stakeholder trust is potent



The planning approach



Our thoughts

Operations

- Overtly link (some of) what you do to impacting the valuation
- You can apply this methodology to your planning and prioritization – and it's often helpful in saying no

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- See that the organisations you support implement something like this.
- Take your analysis one step further, to provide operations a way to impact the valuation. Contributing to moving the needle is a good way to add value.



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Thank you

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