



2016 Actuary of the Year

Sarah Johnson, Scheme Actuary, National Disability Insurance Scheme, awarded Actuary of the Year for 2016.

The employment of Sarah Johnson as the foundation Scheme Actuary of the National Disability Insurance Scheme (NDIS) was the culmination of a career focused on using actuarial skills and modelling to improve outcomes for people needing support of many kinds. In crystallising this focus, Sarah has taken the actuarial profession into a new and exciting area of social policy, which is increasingly in the news and manifest in emerging government thinking.

Sarah began her professional career as a graduate at PricewaterhouseCoopers in 2004, where she soon displayed an aptitude in areas of actuarial work "outside the box". She was a member of the team that developed the concepts underpinning the NSW Lifetime Care and Support Scheme legislation in 2004/5, and quickly became involved in work on social disadvantage for the NSW Department of Ageing Disability and Homecare, leading the actuarial team on a project which led to the *Stronger Together* funding initiative - a major recognition of the unmet need of people with disability, based on actuarial modelling of supply and demand, and a precursor of the NDIS.

This work quickly cascaded into other areas of social disadvantage as its power became clear to government central agencies – areas such as chronic disease, mental illness, homelessness, domestic abuse, child support and "Closing the Gap" on Aboriginal disadvantage. In building this capability, Sarah was at the forefront of life-course modelling of "big data" on the "demand-supply" equation of social disadvantage, the early developments in framing what has become known as the investment approach to social welfare sector. In 2011 Sarah was seconded into the Productivity Commission enquiry which recommended the NDIS - her role was to undertake all the actuarial modelling and projections of the proposed new scheme.

The PC report was handed to government in July 2013, and before the end of that year the Council of Australian Governments (COAG) had agreed to implement the NDIS, which has been called Australia's biggest social reform since Medicare.



As Scheme Actuary Sarah is well and truly at the forefront of scheme design and political questioning, and is a critical contributor to the Executive Management Group of the National Disability Insurance Agency (NDIA). She reports directly to the CEO and Board of the NDIA as required by statute, as well as preparing reports for a Joint Parliamentary Committee, the Senate Estimates Committee, a subcommittee of COAG, and both Commonwealth and State shareholder governments.

Sarah has become, with distinction, the face of the actuarial profession in many public forums, highlighting the important role of the profession and skill set in this unique initiative, and its potential to contribute to broader social and economic decision-making.

Most recently, Sarah has worked directly with the NDIA's Independent Advisory Committee, which directly represents people with a disability, to develop an outcomes framework, pushing the boundaries of actuarial work even further - into the domains of linking financial and economic sustainability with metrics capturing the quality of life and social and economic participation of people with disability.

Sarah's legacy will be recognised in the development of an in-house actuarial and sustainability capability within the NDIA, embedding the actuarial control cycle into day-to-day operations of the agency and overall governance. The size and impact of this team will grow as the scheme expands to an annual expenditure of \$22 billion over the next three years. Sarah is a strong female leader of this team and is committed to the development of diversity in the workplace and a busy but fun place to work.

Sarah is a worthy Actuary of the Year, and this award signals the potential for more actuaries to become involved in social policy as a legitimate career direction.

Congratulations Sarah.

Citation by John Walsh AM.