

The Aging Workforce – Part 1

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There is no doubt that the game has changed and the worker next to you could be your father, or at least significantly older. But how has that dynamic changed the way we look at Workers' Compensation? Here is Part-1 of a 2-part blog that addresses how we now define older workers and the impact it might have on future claims.

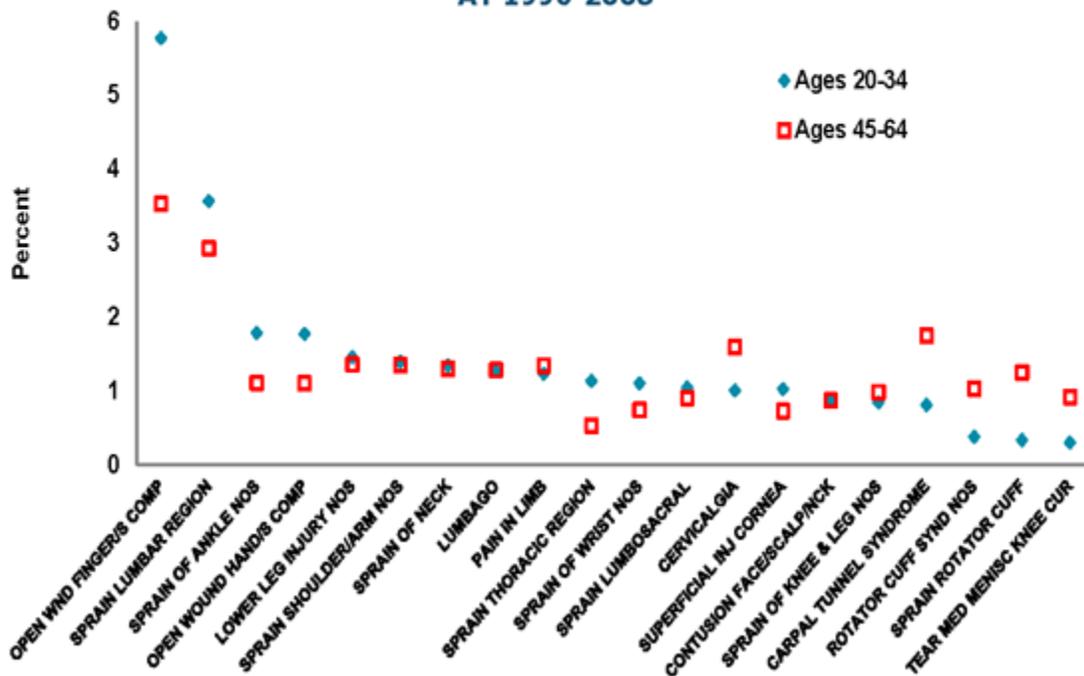
The workforce is getting older. People are retiring later in life than ever before. This trend has been a major concern for those in the health and safety field because the common knowledge has been that older workers are more prone to suffer very expensive injuries.

However, new research from the National Council on Compensation Insurance (NCCI) has cast doubt on this conventional wisdom, or at the very least potentially changed the definition of "older workers".

Share of Number of Claims For The Most Common Diagnoses By Age Cohorts

Closed Claims Valued at 24 Months

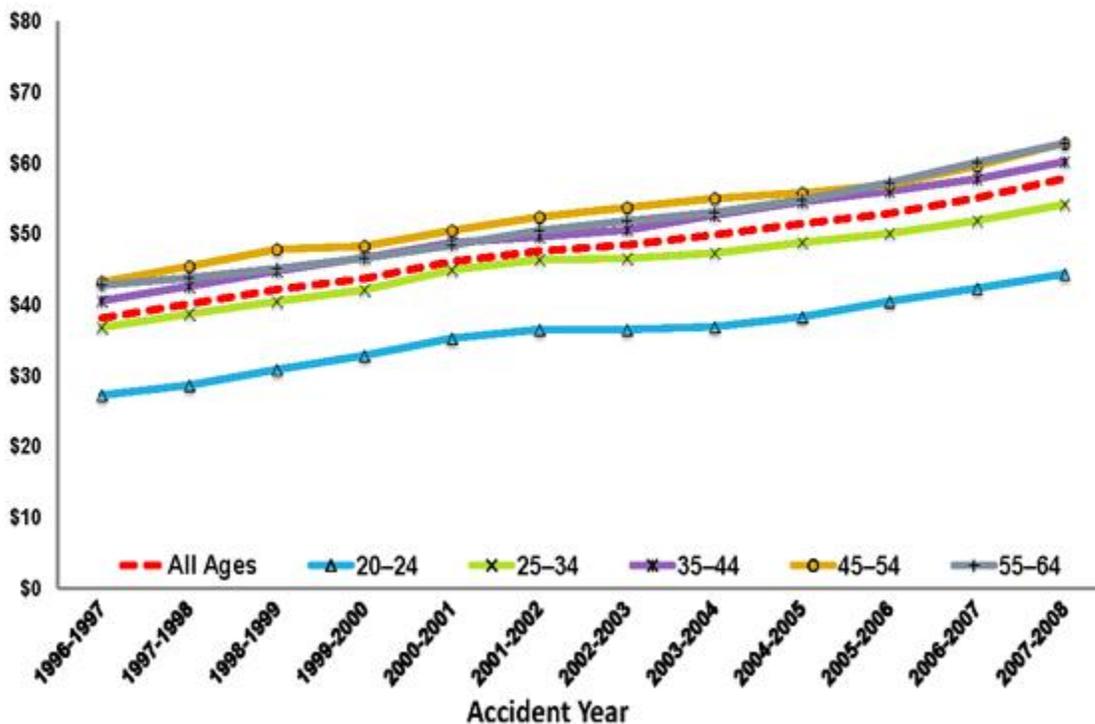
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NCCI studied different age groups and the rate at which they get injured. They found younger workers (under 35) had substantially more cuts on their fingers and older workers (over 35) suffer more cases of carpal tunnel and more cervical injuries, although the numbers are startlingly similar.

So, that quiets the argument about the aging workforce causing more injuries, but what about cost? The research shows that there is a substantial cost difference between younger and older workers, but the split isn't necessarily where you might expect it.

Average Temporary Benefits Paid per Day After Controlling for Mix Lost-Time Claims With Temporary Payments Closed Within 24 Months of Date of Injury



Workers between the ages of 20-24 create much lower costs (and fewer days out), but once workers reach 35, the costs of their injuries are very similar.

What does this all mean? To start with, it now largely redefines an “older worker” as someone who grew up listening to Pearl Jam instead of Elvis. This means that someone over 35, not just someone belonging to the traditional “over 65” group, is now being classified as an “older worker.” It should also prompt agents to help businesses strongly focus on the things that can reduce injury costs for *everyone*.

Injury prevention for employees should begin before they even become employees— during the hiring process. Help your clients develop written functional description for the position that is open. Once that is complete, it is critical that the candidate the employer selects be given a conditional offer of employment. This document is a bona fide job offer with the caveat that you can withdraw the offer if they are physically or mentally unable to do the job with reasonable accommodation. Once this is complete, have the candidate go to the doctor and complete a post-offer, pre-placement medical questionnaire. Having this completed allows a physician to ask questions relevant to the job and to let

the employer know whether or not the candidate is fit for the job. If they are, it's time to get started. If not, they will have to find another suitable candidate.

Once an employee is on the job, it is critical that they are always mindful of *how* they are doing their job. ***Far more injuries are caused by unsafe acts by employees than any unsafe conditions in their workplace.*** Employees that feel rushed are more likely to set safety aside in the name of meeting a deadline and those decisions result in accidents that could have been prevented.

When your client takes all these steps and has a workforce that is fit for work and doing their job safely, then the focus turns to what happens when an accident does happen and an employee is injured.

The information above is from the Institute of Work Comp Professional.

Insurance Brokers of MN, Inc. has been through their training program and become " Certified Workcomp Advisors" of which there are about 400 in the US.

Check with us on the cost saving advantages of working with a " Certified Workcomp Advisors"