

The Aging Workforce and It's Financial Impact

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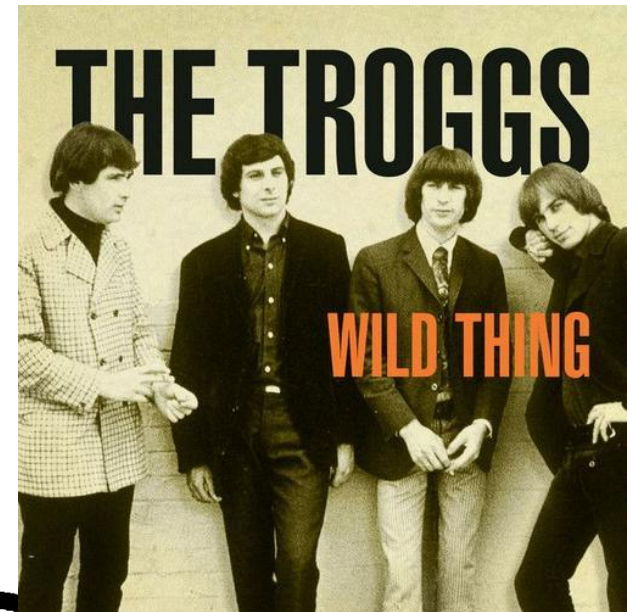
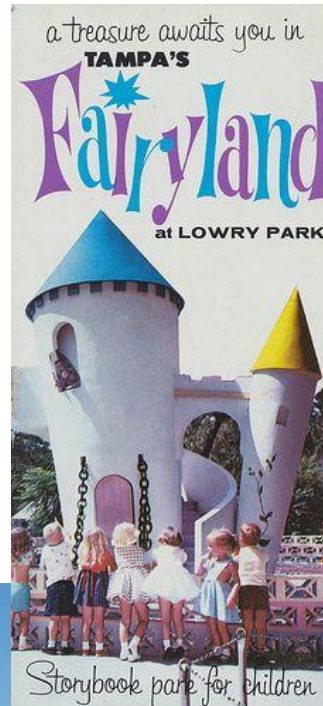
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Social Studies



Southern Bell

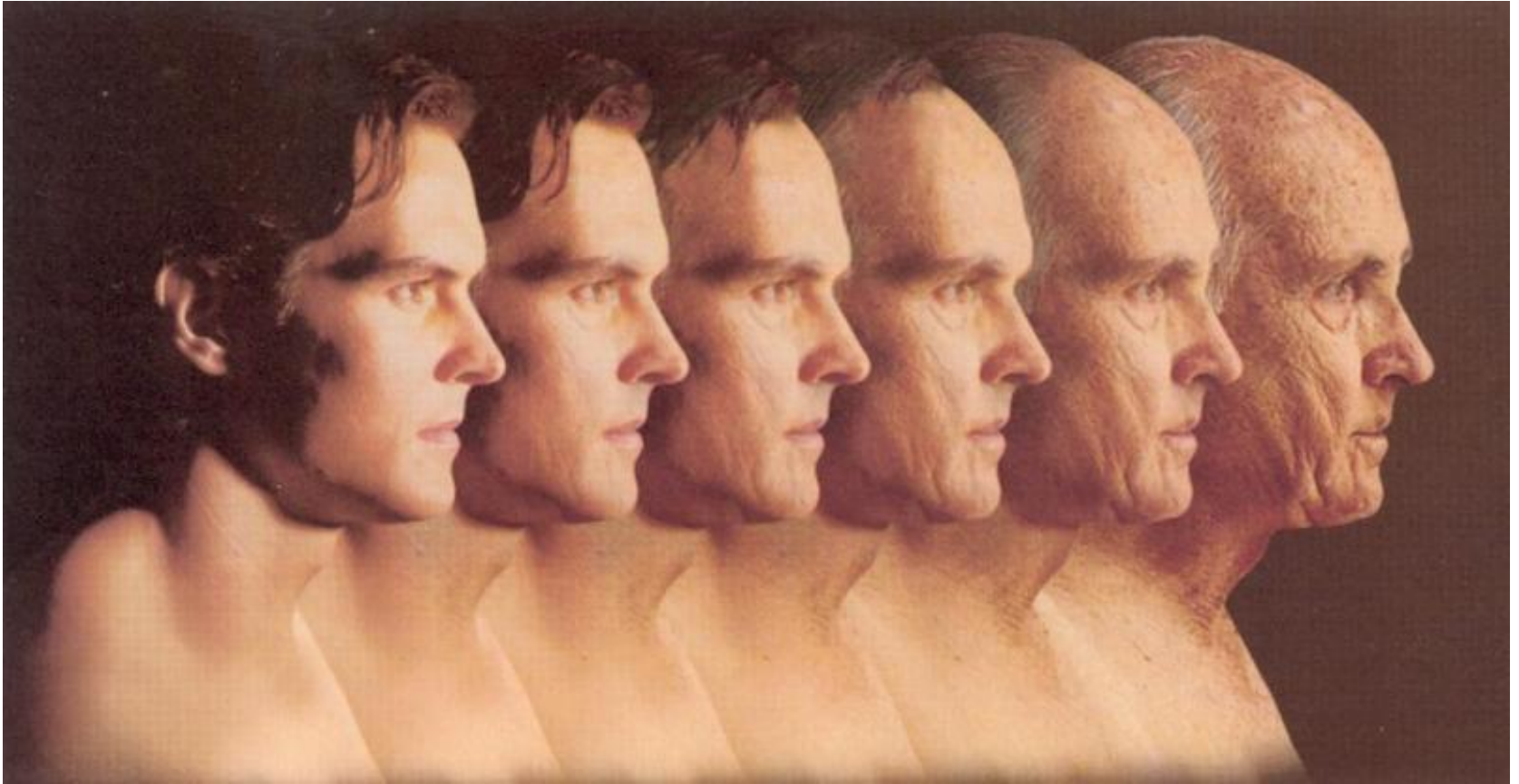
Baby Boomers 1946 - 1964

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Discussion

- Understanding the Issue
- Changes Associated with Aging
- Impact on Work-Related Injuries
- Rethinking the Work Environment
- Rethinking Wellness
- Your Challenge

Understanding the Issue



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Baby Boomers are Getting Older

- Over the past decade employees in the 45 year-old and over category have increased by 49% and make up 44% of the workforce
- The age group over 55 has grown to 21% of the workforce
- Between 2008-2018, the number of workers age 55 and older is projected to increase by 12 million (43%)

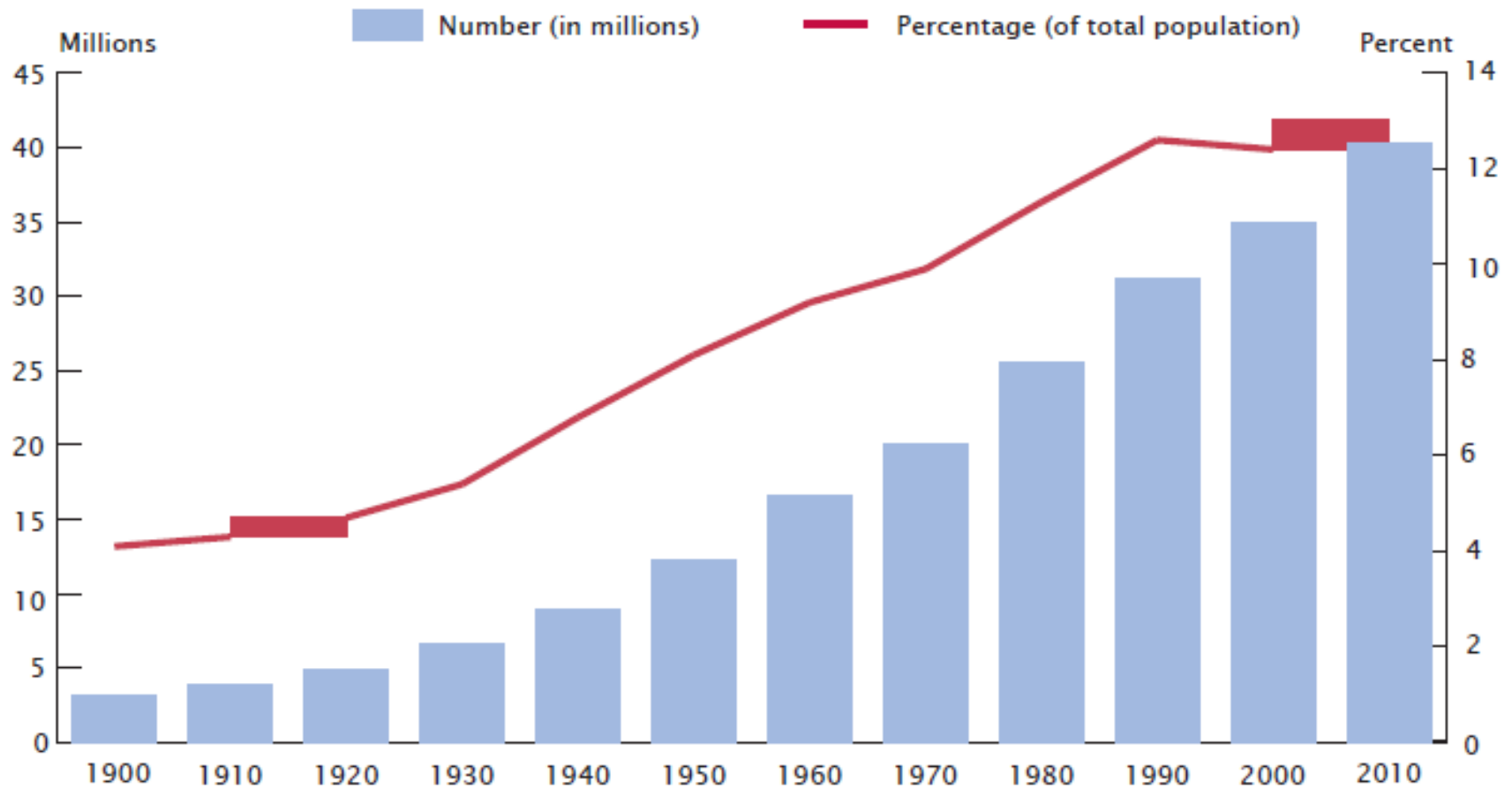


US DOL/BLS Data

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Population 65 Years and Older by Size and Percent of Total Population: 1900 to 2010

(For more information on confidentiality protection, nonsampling error, and definitions, see www.census.gov/prod/cen2010/doc/sf1.pdf)



Sources: U.S. Census Bureau, decennial census of population, 1900 to 2000; 2010 Census Summary File 1.

Retirement



- Age 65 is no longer the “normal” retirement age
- Employees are delaying due to economics, including the need for medical benefits and sufficient resources to retire
- 80% of Baby Boomers plan to work after retirement age
- Many adults are leading active, healthier lifestyles, which lead to longer life

AARP data

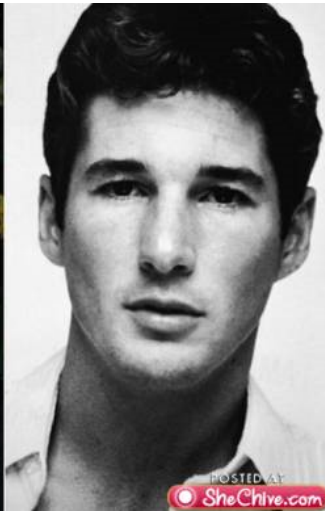
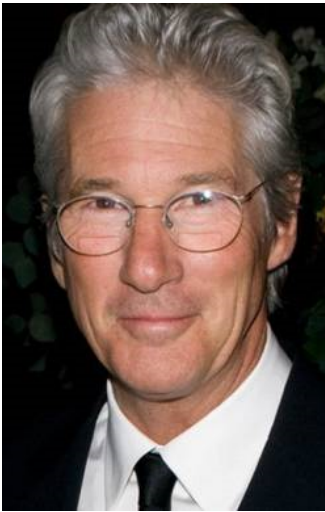
The Future is Right NOW!

2012 Industry Ageing Statistics	% of Emplo yees ≥45	Media n age	
Total, all industries	44%	42.3	
Agriculture, forestry, fishing, and hunting	55%	47.5	
Crop production	53%	46.7	
Mining, quarrying, and oil and gas extraction	42%	41.5	
Construction	44%	42.6	
Manufacturing	50%	44.7	
Wholesale and retail trade	39%	39.3	
Wholesale trade	47%	43.8	
Retail trade	38%	37.9	
Transportation and utilities	54%	46.3	
Information	41%	41.4	
Financial activities	48%	43.9	
Professional and business services	44%	42.6	
Education and health services	47%	43.7	
Leisure and hospitality	26%	31.4	
Other services	46%	43.1	

**Percent of workforce
over 45 years of age,
by industry**

2013 BLS, Current
Population Survey

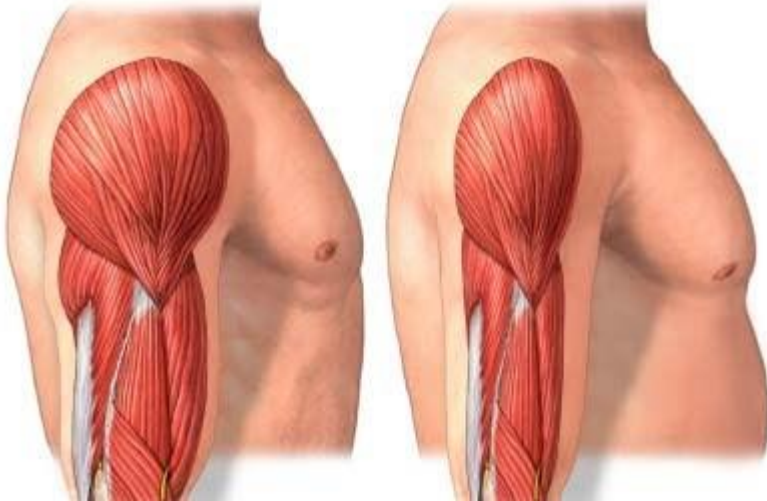
Changes Associated with Aging



Common Effects of Aging

- Loss of muscle mass resulting in decreased strength
- Increased stiffness and reduced flexibility that impacts range of motion
- Poorer visual and auditory acuity
- Tire more quickly, recover slower
- Lower dexterity
- Reduced physical fitness level and aerobic capacity
- Slower cognitive speed
- Increased risk of chronic disorders, disease and obesity – diabetes, heart disease, cancer, COPD, high BP

Body and Mind Changes



Pupil Size

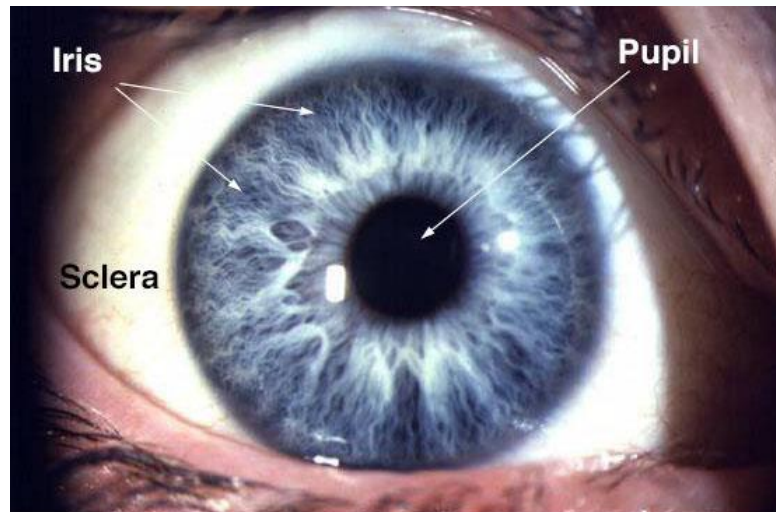
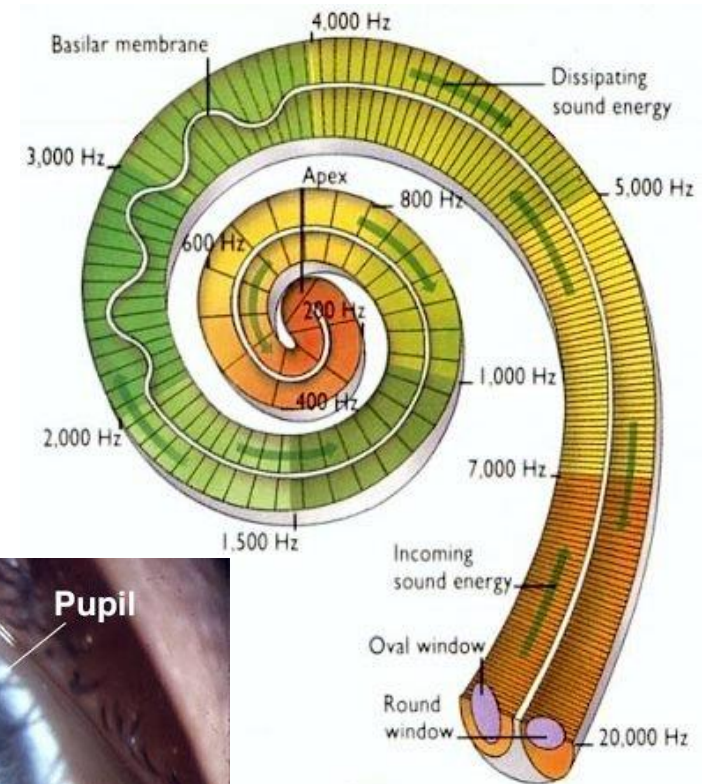


Fig. 1. View of the human eye

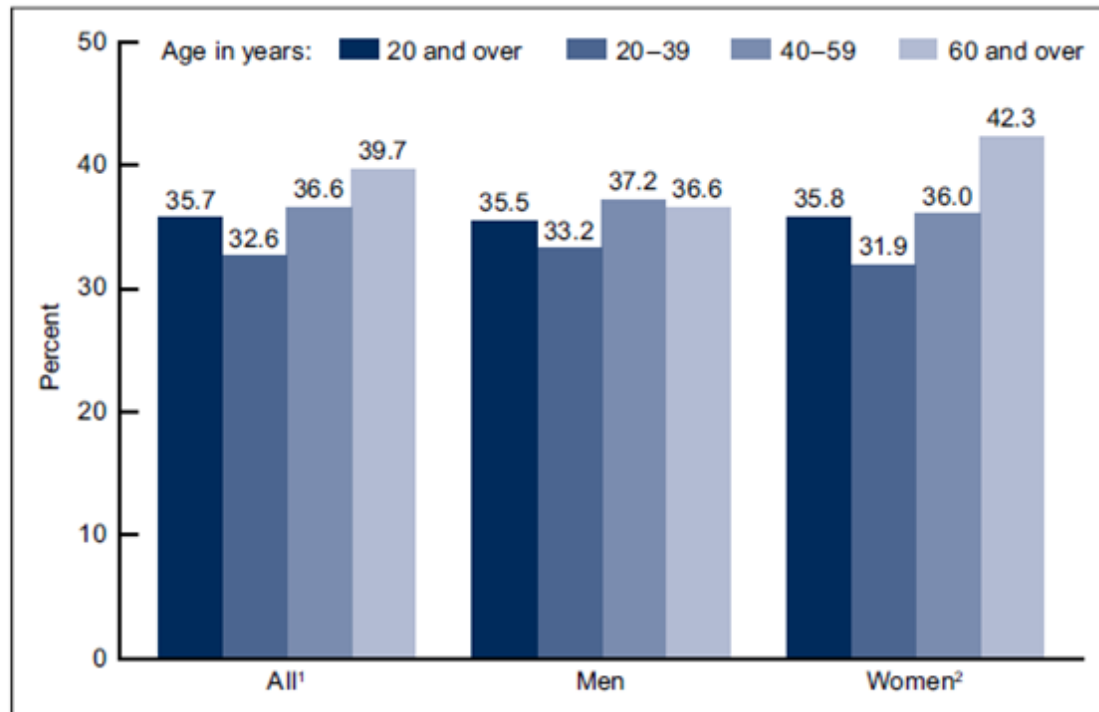


Presbycusis

Data is Pointing toward a Workforce of Diminishing Physical Capacity and Poorer Health

In 2009–2010, 35.7% of U.S. adults were obese.

Figure 1. Prevalence of obesity among adults aged 20 and over, by sex and age: United States, 2009–2010



¹Significant increasing linear trend by age ($p < 0.01$).

²Significant increasing linear trend by age ($p < 0.001$).

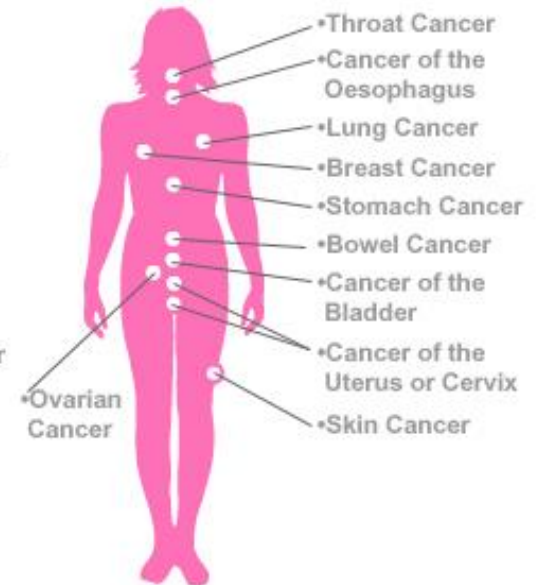
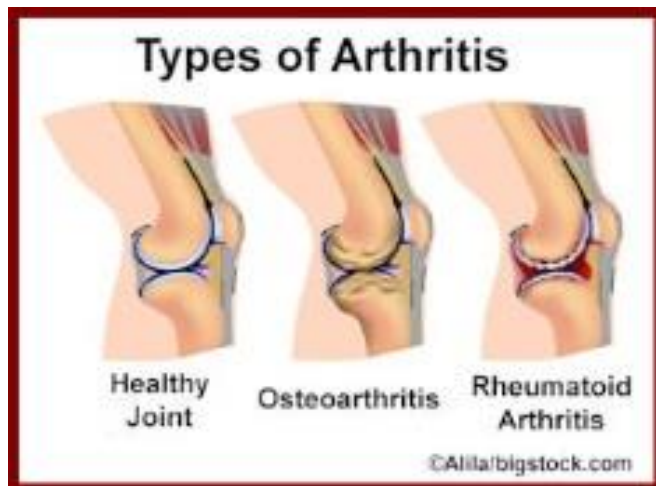
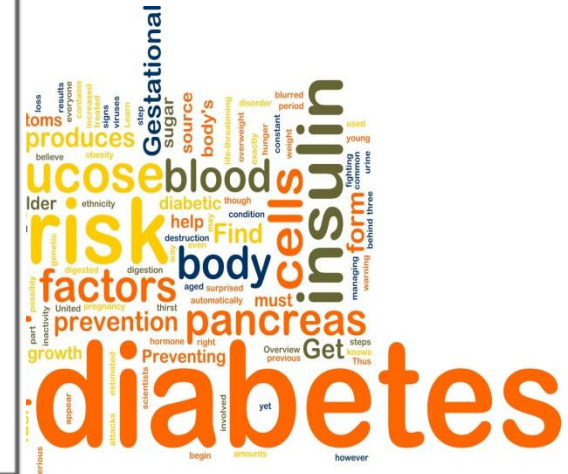
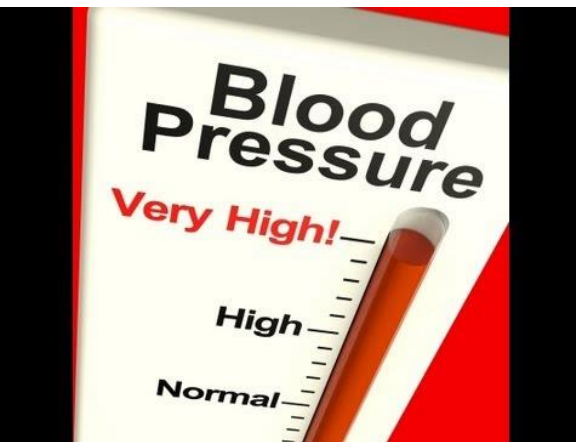
NOTE: Estimates were age adjusted by the direct method to the 2000 U.S. Census population using the age groups 20–39, 40–59, and 60 and over.

SOURCE: CDC/NCHS, National Health and Nutrition Examination Survey, 2009–2010.

Effects of Overweight and Obesity

- Risk for developing the following conditions increases:
 - Coronary heart disease, Type 2 diabetes, Cancers, Hypertension, High total cholesterol or high levels of triglycerides, Stroke, Liver and Gallbladder disease, Sleep apnea and breathing problems, Osteoarthritis, etc.
- Overweight is defined as a body mass index (BMI) of 25 or higher; obesity is defined as a BMI of 30 or higher.

Chronic Disorders and Diseases



Overweight and Obesity Impact

- Potentially contribute or hasten an injury
- Can affect the healing process after an injury
 - It induces complex negative effects on multiple organ system functions and processes, including issues related to wound healing
- Your weight is the result of many factors
 - Environment, family history and genetics, metabolism (the way your body changes food and oxygen into energy), behavior or habits, etc.

Age of the Workforce is Increasing and Health Decreasing

44%

- Workers ≥ 45

38%

- Obesity in ≥ 45

37%

- Workers that plan to work beyond age 65

The State of Obesity in Florida

Sources: Current diabetes (2014) and hypertension (2013) rates are from [The State of Obesity 2015 \[PDF\]](#); 2010 diabetes, hypertension, heart disease, arthritis and obesity-related cancer numbers and projected cases of obesity-related health problems related are from [F as in Fat 2012 \[PDF\]](#).

Current adult **diabetes** rate **11.3%**
Rank among states **15/51**

Current **adult obesity** rate **26.8%**
Rank among states **35/51**

Current adult **hypertension** rate
33.5%
Rank among states **16/51**

Obesity rate by gender
Men 26.5%
Women 24.1%

Heart disease cases **1,412,352**
Projected cases of heart disease in
2030 = 6,188,174

Obesity rate by age
18-25 16.5%
26-44 25.7%
45-64 32.1%
65+ 25.8%

Obesity-related cancer cases
352,183
Projected cases of cancer in
2030 = 869,214



Impact on Work-Related Injuries



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Impact on Your WC Costs

- Older workers tend to have fewer accidents, but injuries tend to be more severe
- Recovery time may be prolonged
- Chronic, pre-existing conditions can make treatment more complex
- Therefore, severity of accidents increases as related to the aging process compounded by pre-existing health conditions

WC Claim Cost Study

- \$4 billion in WC claims from 2007 – 2016
- To monitor the impact of work-related injuries to aging workers
- Found consistently higher average costs for older claimants across all industry groups
- This trend varied in degree by industry, but only by the pitch of the slope
 - Example: The 45-54 year old claimants in the Manufacturing Industry group's average claim cost was 52% higher than 25-35 year old claimants (Figure 2)

Results – All Industries

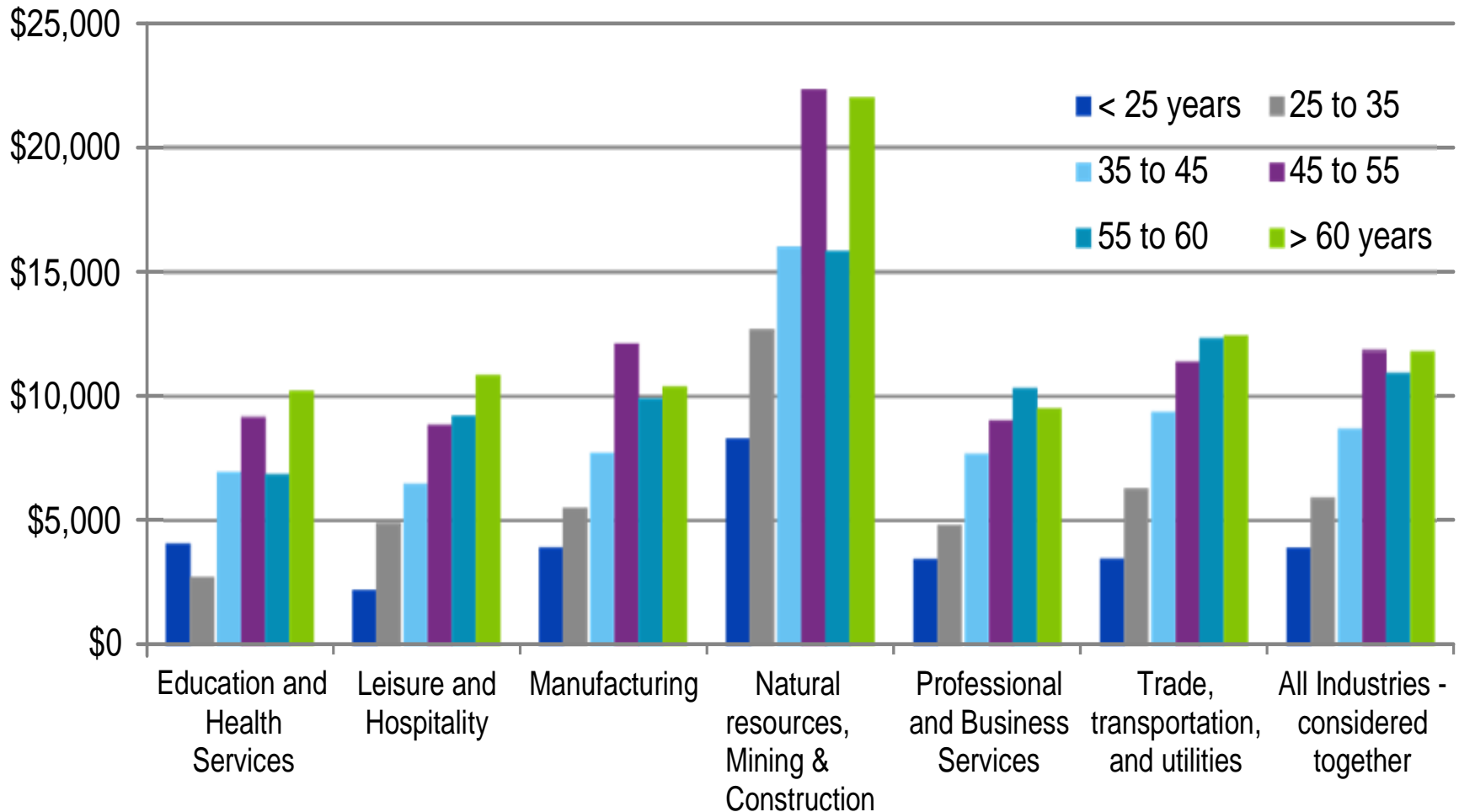
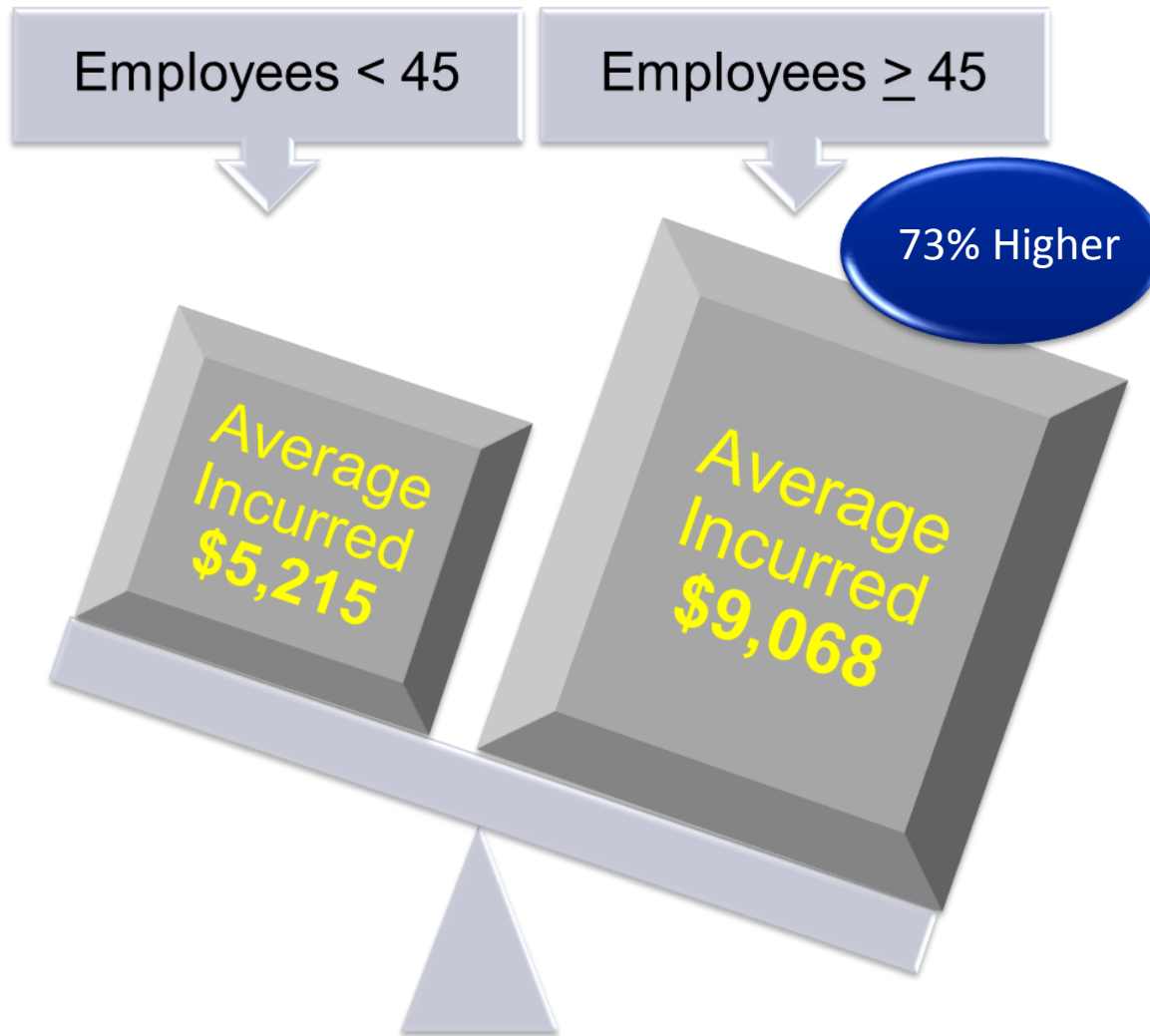
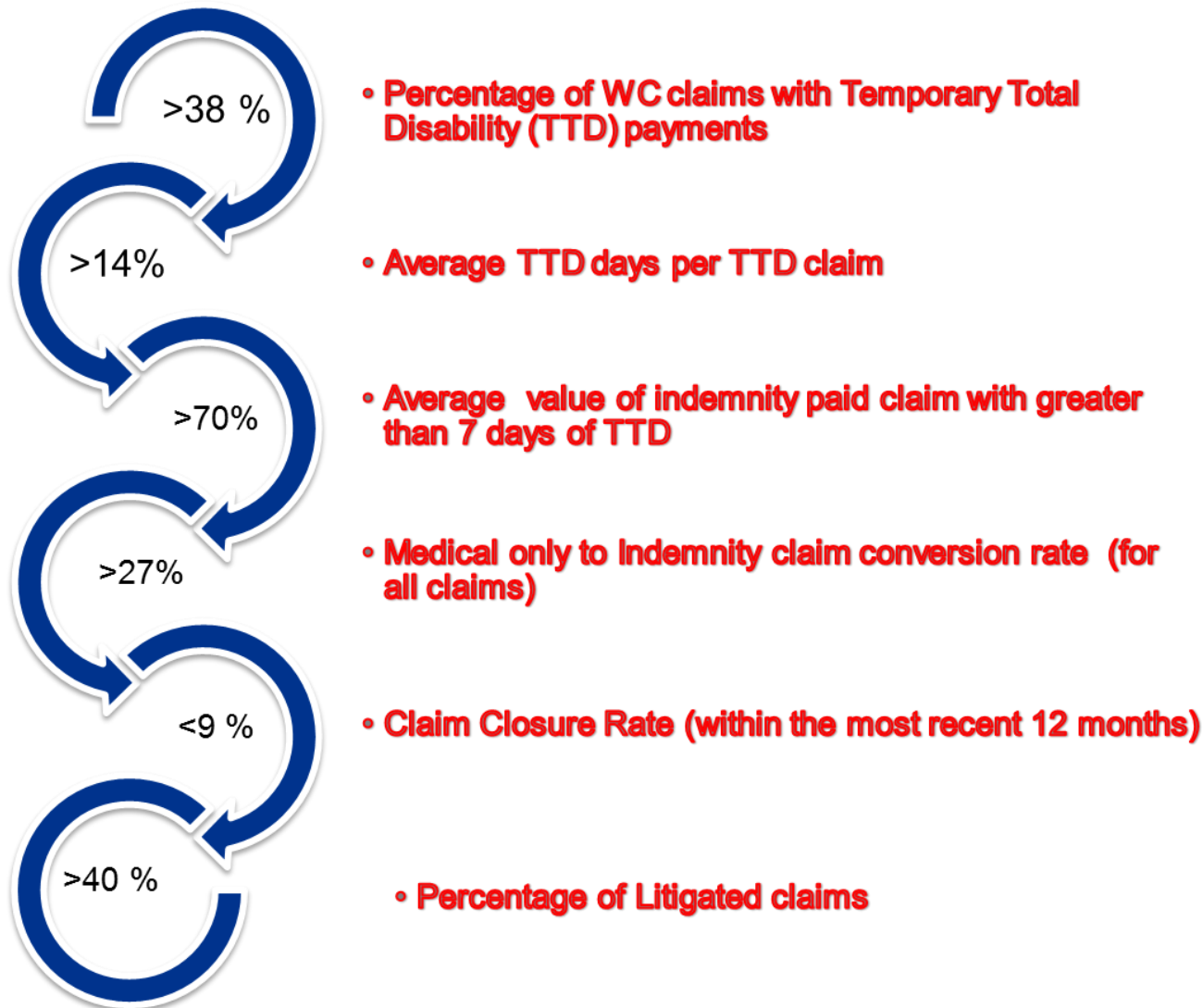


Figure 2: Results from Aon Laser report

Data Reveals Significant Cost Differences



Key Cost Drivers on ≥ 45 Claims



Three Key Areas Require a Closer View



1. Rethink the physical and cognitive demands
2. Modify the claims process to improve post-loss response and management of the claim
3. Partner with Human Resources to create prescriptive wellness programs

Rethinking the Work Environment



What can be done?

- Enhance your EHS program toward the older employee
- Re-evaluate work areas/stations and job tasks
- Provide the “new” training to all employees
- Rethink your wellness programs for injury prevention
 - smoking cessation, weight management, annual health assessments, fitness coaching, etc.



Methods of Accommodation

For the following issues:

- Vision
- Hearing
- Cognitive Ability
- Physical Ability
- Slip, Trip and Fall



Vision

- Adequate lighting including task lighting
- Decrease glare on equipment and video displays
- Video display software adjustments (font/color)
- Magnification for small objects
- Daytime driving



Hearing

- Reduce noise levels including background and high-frequency noises
- Relocate, enclose or replace excessively noisy or loud equipment
- Use sound-absorbing materials when considering workplace design
- Address noise-related complaints
- Ensure alarms are audible with visuals (strobe lights)



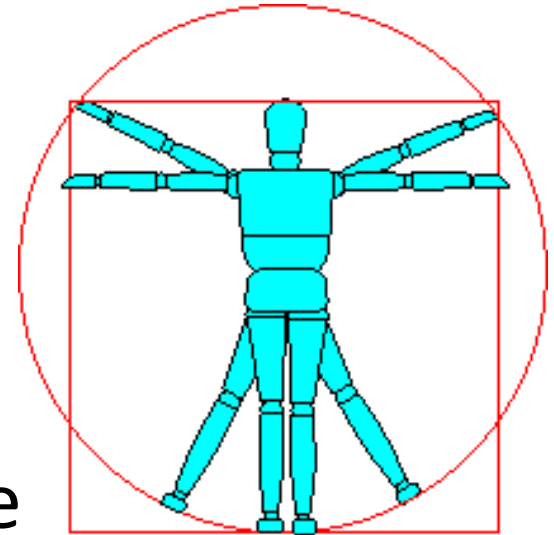
Cognitive Ability

- Minimize the complexity of tasks
- Automate certain processes
- Increase time between steps
- Reduce need for multitasking
- Increase decision-making time
- Eliminate clutter on VDT screens & work areas



Physical Ability

- Adequate material handling equipment to reduce or eliminate heavy lifts
- Review tasks to reduce back, shoulder and knee strains
- Tasks should have a comfortable range of motion
- Job rotation to reduce RMDs
- Layout of production lines
- Strength training and balance exe

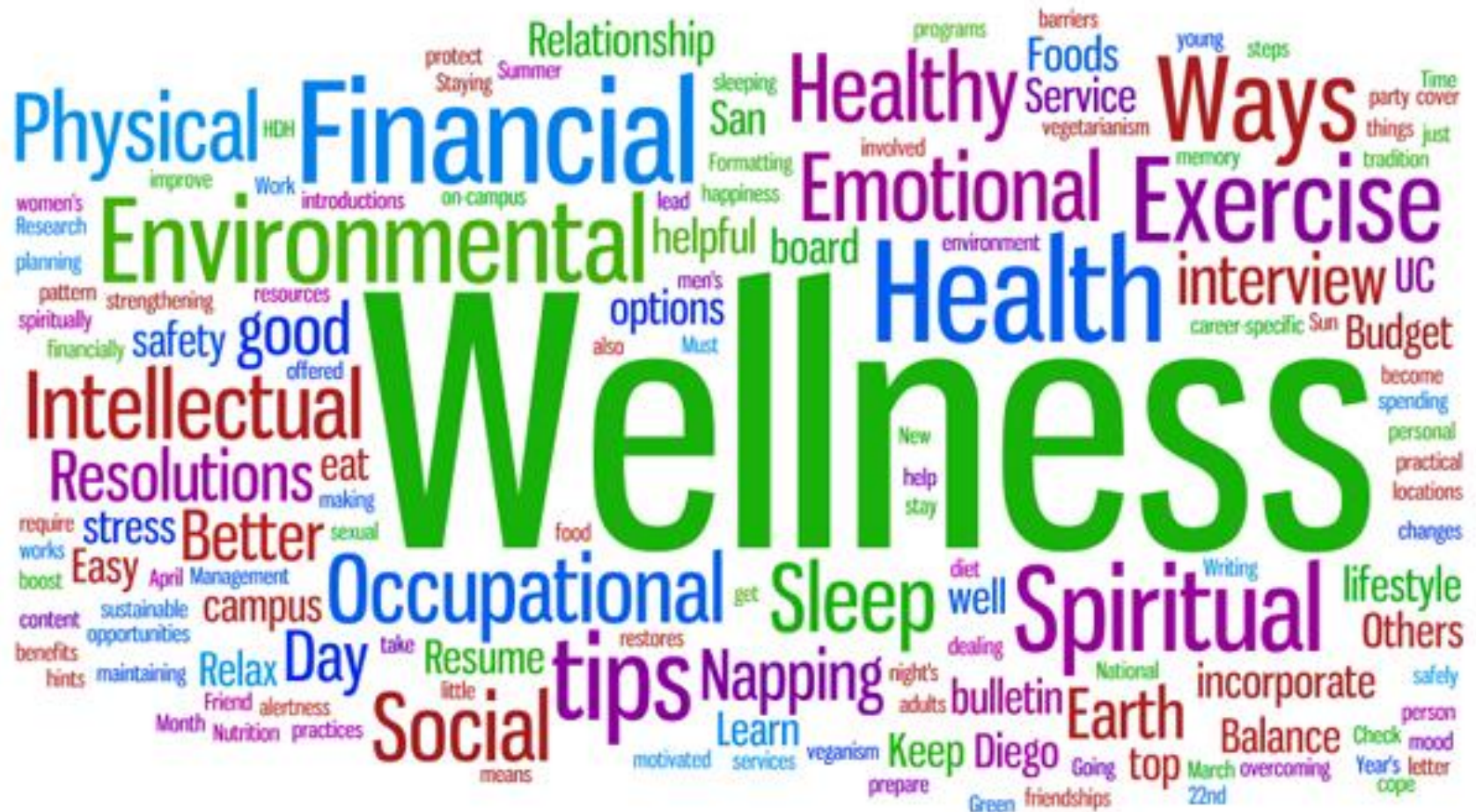


Slip, Trip and Fall

- Assess walkways for uneven surfaces, cracks and changes in grade
- Slip-resistant footwear, flooring and floor dressing procedures/products
- Improve stairways and ramps
 - Handrails, anti-slip treads, correct height, illumination
- Good housekeeping



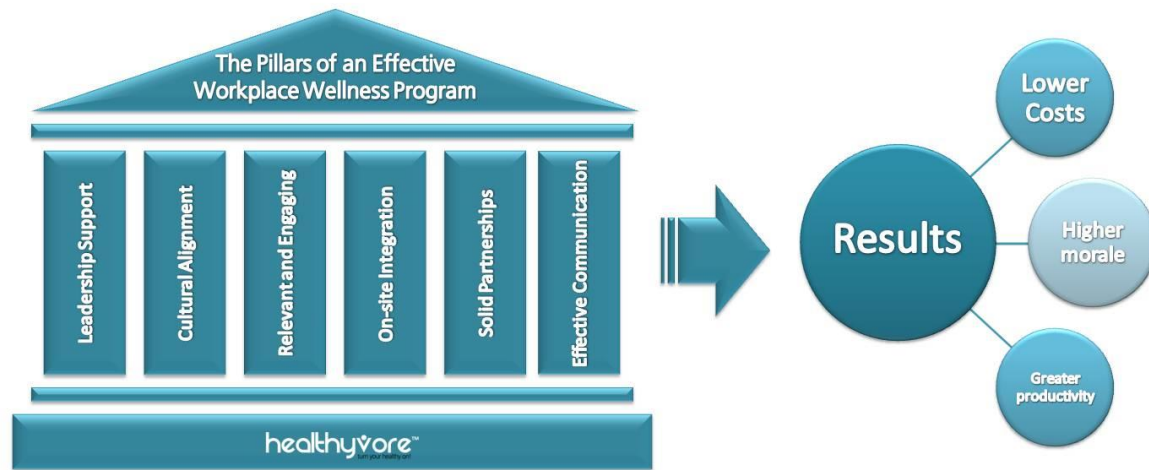
Rethinking Wellness



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Wellness Programs

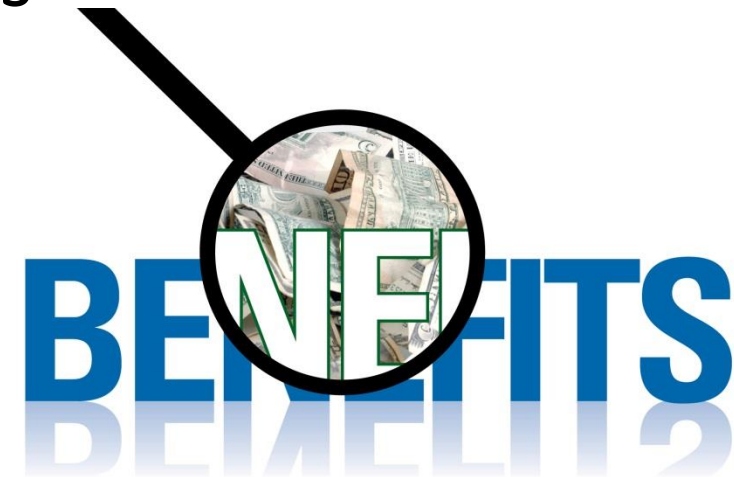
- Align wellness programs with injury trends on the Workers' Compensation side
- Deliver innovative and meaningful solutions to meet aging employees needs



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Benefits Programs

- Align with age-specific data trends
- Support WC, STD, LTD, trends
- Align with safety and ergonomics program
- Understand and develop strategies for casual absence for aging employees
(e.g., care taker programs,
flex schedules, etc.)



Human Resources Programs

- Assess workforce profile and age stratification
- Understand production demands and review for jobs for age-appropriateness
- Understand absenteeism and structure work in ways that reduce fatigue and improve retention
- Create synergist program within the organization



Your Challenge

What does it mean for your workers?

Consider the following when deciding on accommodations:

- Impact of older workers on the business
- Advantages to having older workers
- Injuries to older workers that have occurred in the past
- Tasks and jobs that may increase risk to older workers



Questions?



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Additional References

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