



## **Workers' Compensation and an Aging Workforce**

According to the U.S. Bureau of Labor Statistics in 2020, one in four American workers is over the age of 55. Although there are varying opinions on the age at which workers are considered “older workers,” the aging workforce phenomenon is real. These demographic shifts have made the issue of healthier workers, especially those of advanced age, much more pressing. Aging is a relative process experienced differently by all workers throughout their life. Vital to any workplace is the safety, health, and well-being of workers, from their first day on the job to their last.<sup>1</sup>

People are working later in life for multiple reasons. Overall, our workforce is healthier and has a longer life expectancy than previous generations. They are better educated, which increases their likelihood of staying in the labor force, particularly in positions which require less manual labor. The cost of healthcare, changes to Social Security benefits and employee retirement plans, along with the need to save more for retirement, create incentives to keep working.

Data published by the National Council on Compensation Insurance<sup>2</sup> related to worker injury states that:

- Younger workers tend to have an increased frequency of less severe back and ankle sprains, while older workers tend to have an increased frequency of severe rotator cuff and knee injuries that tend to result in lost time claims.
- Due to the increase in severity, older workers file slightly more lost time claims than their younger counterparts, with the outcome being generally more expensive.
- While higher wages and inflation for medical and litigation costs are important factors in claim costs, the increase in lost time claims may also be attributed to body deconditioning, the presence of comorbidities, and age-related deterioration.
- Lost time incidents and supplemental income for older workers may be more expensive as older workers may earn more due to longevity and organizational position.
- Injury frequency has increased for four consecutive years for workers aged 65 and older, even as injury frequency's long run decline has continued overall, especially for workers aged 25-44.
- Older workers tend to have more days away from work given an injury, both within and across injury types.

Given these demographics and statistics, what can be done to help reduce the risk of injury for older workers?

1. Remember that there are no medically empirical rules for an individual based on their age. Everyone is different. Some are fit, have beneficial genetics, adopt a healthy lifestyle, and may not need age-related considerations. Others may need additional support to be successful and productive.
2. Communicate through words and actions the value placed on the health, life, and well-being of all employees regardless of age.
3. Discuss options with the employee and determine if a less physically demanding job, if available, may be a better fit.
4. Utilize ergonomic safety training to improve safety skills and heighten awareness.
5. Provide job aides such as anti-fatigue mats, modified schedules, or lifting equipment and supports.
6. Educate people about safety awareness including trip and slip hazards in the workplace and highly encourage employees to speak up or take action to resolve potential issues.
7. Avoid prolonged, sedentary work. Prolonged, sedentary work is bad for workers at every age. Consider sit/stand workstations and planned breaks for workers who traditionally sit all day.<sup>3</sup>
8. Utilize teams and teamwork strategies for aging-associated problem solving. Workers closest to the problem are often best equipped to find the fix.<sup>3</sup>
9. Provide health promotion and lifestyle interventions including physical activity, healthy meal options, tobacco cessation assistance, risk factor reduction and screenings, coaching, and onsite medical care. Accommodate medical self-care in the workplace and time away for health visits.<sup>3</sup>
10. Be proactive in managing employees who may need a reasonable accommodation to return to work. Reach out to them and engage them in an interactive process to help get them back to fully productive.
11. Utilize your Fund contact and request consultation regarding age-related considerations based on the position.

To provide some future context, the Bureau of Labor Statistics projects that the number of citizens 65+ by 2035 will outnumber those under 18 years old for the 1<sup>st</sup> time in history. This will impact the workforce focus as older employees who are injured on the job typically have a higher cost due to comorbidities and recovery time. Those 45+ are prone to suffer permanent injuries such as repetitive motion and stress injuries, but fewer claims from catastrophic injuries.<sup>4</sup>

The value older workers bring to the workplace cannot be measured on a balance sheet. They provide a wealth of knowledge, experience, ethics, and history which can be difficult or impossible to hire. Proactive, preventative measures can help ensure they remain healthy, safe, and productive.

*1 BLS Employment Projections, September 1, 2020*

*2 NCII Research Brief, March 2021, Patrick Coate*

*3 NIOSH, Productive Aging and Work, September 11, 2015*

*4 US Bureau of Labor Statistics, September 6, 2023*