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# **Working Safer or Just Working Longer? Impact of an Aging Workforce on Injury Frequency and Disability Cost**

September 20, 2010 – Los Angeles

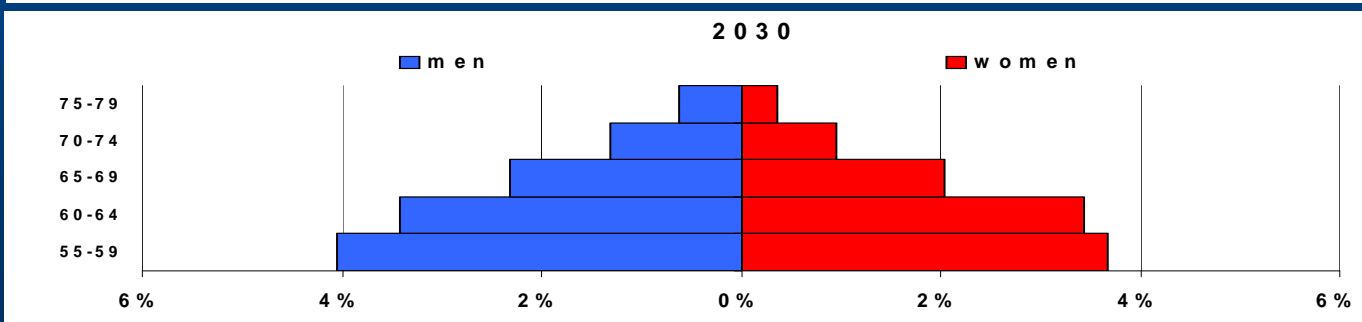
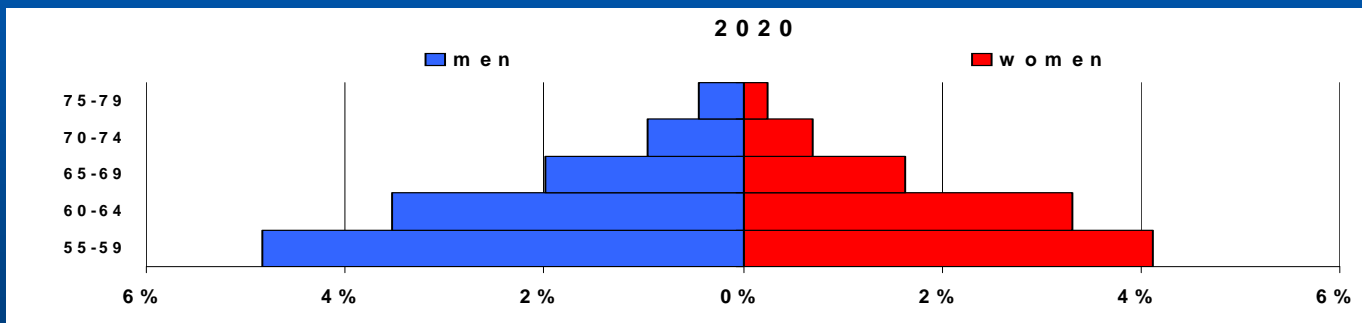
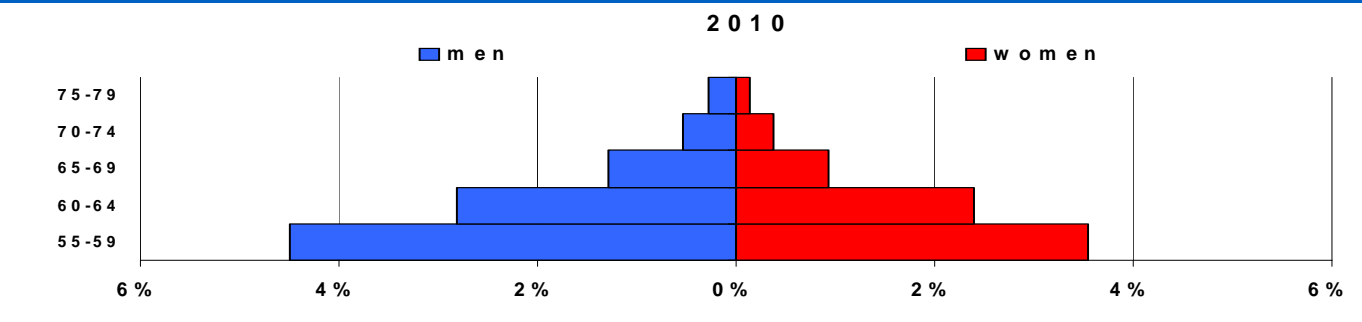
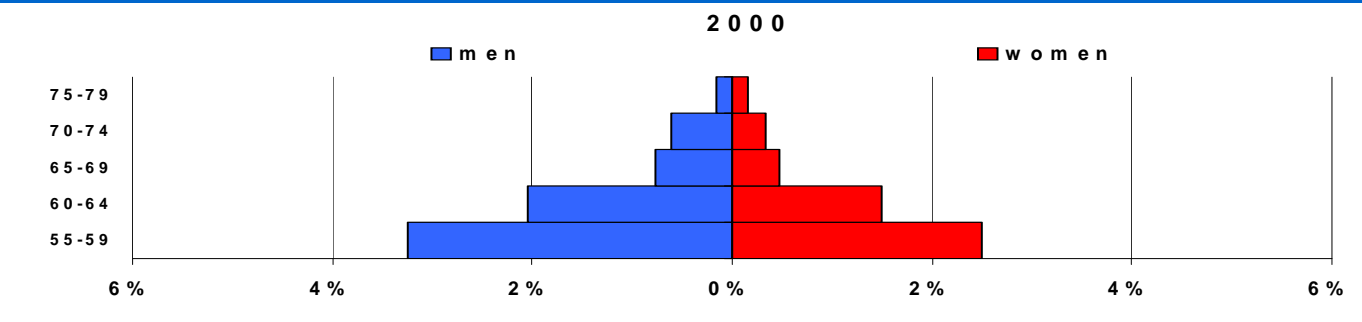
Research funded by  
Commission on Health and Safety and  
Workers' Compensation

# Policy Concerns

- **Workforce expected to age**
  - Baby boomers
  - Increasing retirement age (SSA)
  - Increasing longevity
    - Able to work longer
    - Need more assets to pay for longer life expectancy
  - More older people, and more of them will work---
    - Will it increase costs?
    - Require greater accommodation?

# Estimates--Demographics

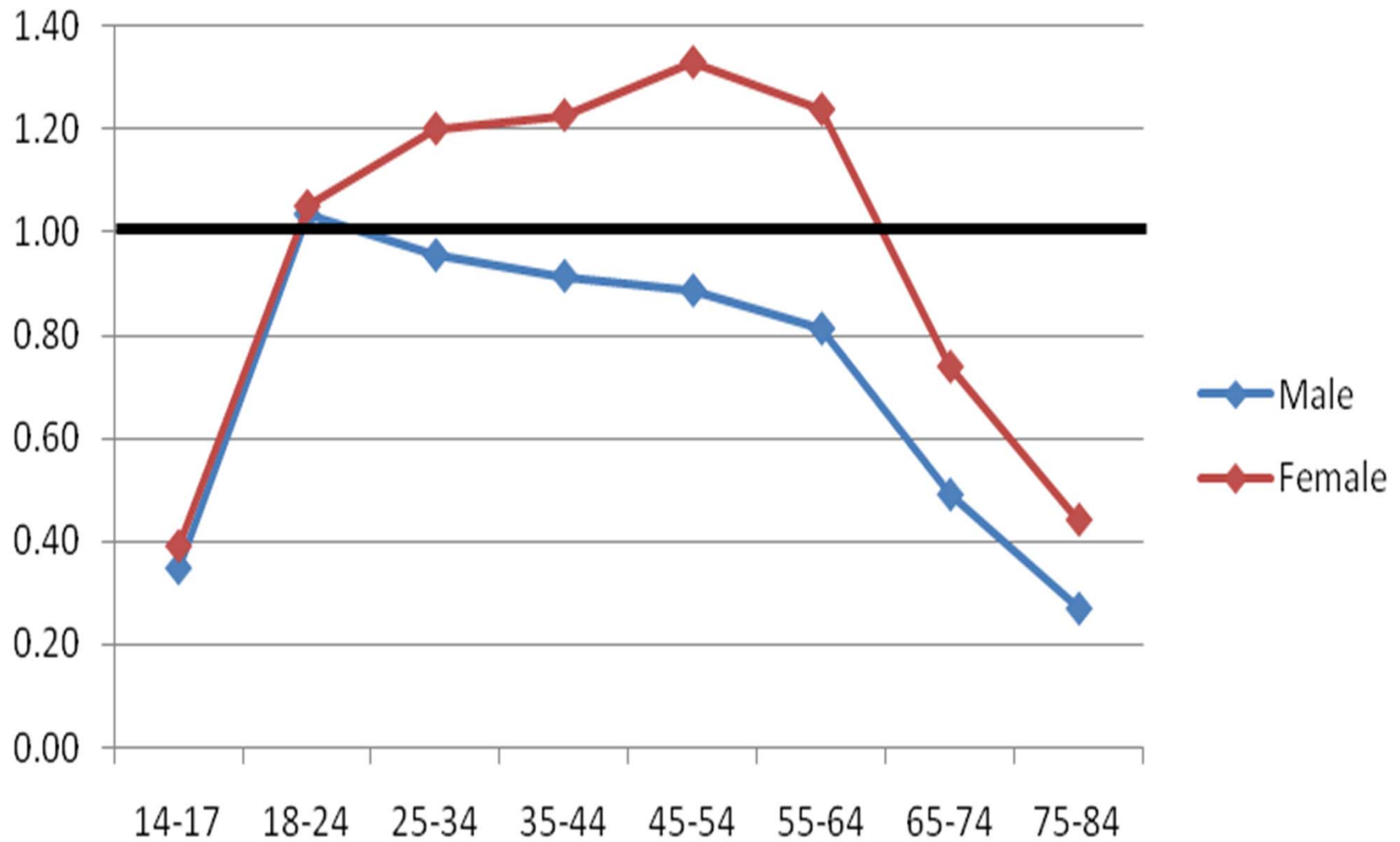
- **Focus on California, but no projections of labor force through 2030**
  - **Population projections by age and gender (Bureau of Census)**
  - **IPUMS/CPS to estimated current labor force participation rates (LFPR) in CA**
  - **Applied BLS national estimates of changes in LFPR to CA**



# Estimates--Frequency

- Common wisdom, injuries decline with age—safety and experience
- But, it could be just shifting to less risky jobs
- We assign a risk value for every worker in CPS (10,000 occupation-industry pairs)
- Account for hours worked/week
- Calculate risk for age and gender
- Compare to actual incidence

# Injury to Risk Ratios



# Estimates--Severity

- Duration as a proxy of “severity”
- 350,000 disability claims
- Controlling for
  - gender
  - 120 ICD9 -- 3-digit diagnoses

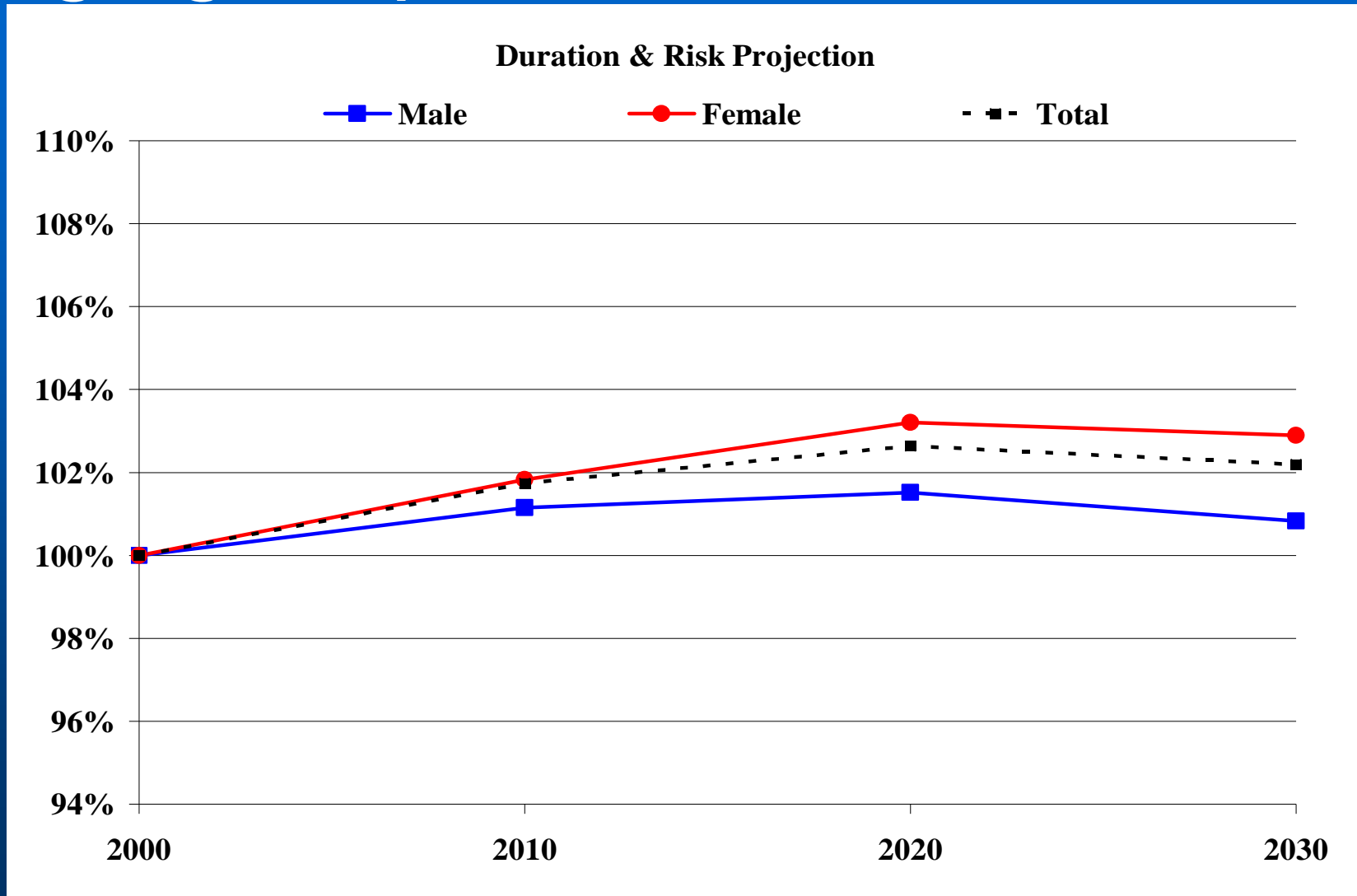
# Duration of Disability by Age & Gender



# Total Impact

- **Labor force 55+**
  - **11.8% (2010) to 22.0% (2030)**
  - **Men increase faster than women**
  - **Injury rates decline after 24 for men, 64 for women**
  - **Duration increases with age for both men & women**

# Aging: Impact on Total Costs



# Conclusions

- **Aging workforce results in very small changes**
  - Frequency offsets Duration
  - Only minority of workforce 55+
- **Higher risk for women should be focus of future research**

# Conclusions—Push Back from Medicare?

