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ADAPTING SAFETY PROGRAMS FOR THE AGING WORKFORCE

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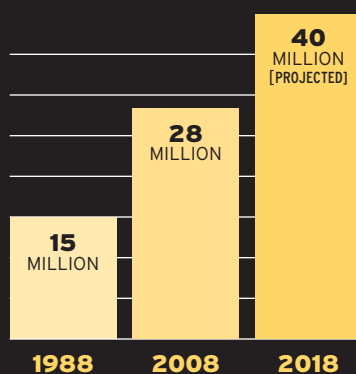


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ADAPTING SAFETY PROGRAMS FOR THE AGING WORKFORCE

AN AGING WORKFORCE

Number of workers age 55 and older



Source: Bureau of Labor Statistics

By **ROBERTO CENICEROS**

The health and safety of the rapidly growing number of older U.S. workers demand employer attention to reduce injury-related losses, experts say.

Health care costs, workers compensation spending and worker productivity are factors employers must consider as the nation's population and its workforce age, they add.

That is because older employees' physical condition, such as deterioration caused by age or chronic disease, can affect how they respond to potential workplace hazards, according to the National Institute for Occupational Safety and Health.

Meanwhile, the number of older U.S. workers will continue growing, perhaps at a greater pace than observers expected several years ago, because of the Great Recession's negative effect on worker savings, employers' desire to retain skilled workers, and rising health care costs that are keeping more older employees in the workforce.

In 1988, U.S. workers 55 and older numbered about 15 million, U.S. Bureau of Labor Statistics data shows. The number increased to nearly 28 million in 2008 and is expected to grow to nearly 40 million by 2018, when all baby boomers will be 54 or older.

Workers aged 55 and older are projected to make up nearly 25% of the workforce by 2018, up from 18.1% in 2008, according to BLS data.

Yet many employers are not adequately prepared or even aware of the health and safety risks older workers may present, said NIOSH Director Dr. John Howard.

While older workers generally are less likely to suffer workplace injuries, it takes longer for them to return to productivity when they do get hurt, Dr. Howard said.

"So employers who aren't aware of that probably are not trying to manage their workforce the best that they could," he said. "In other words, they may not be looking at the health care costs of their workforce (as well as they could), and they are not looking at what could make the work safer or healthier for older workers. Some employers don't even know the distribution of ages of the people that work for them."

In 2005, an informal American Society of Safety Engineers poll found that companies were not prepared for an aging workforce. But the situation may be more critical today because the Great Recession left even fewer baby boomers financially capable of retiring, said Terrie S. Norris, president of the Des Plaines, Ill.-based ASSE.

See **INJURIES** next page

SPECIAL ISSUE

WORKPLACE SAFETY

As the U.S. workforce grows older, risk managers are seeking ways to protect their most experienced employees from age-related injuries. Experts agree that employers will need to shift their safety strategies to protect older workers, while helping to reduce workers compensation claims and losses. In turn, observers say such changes will create workplaces that are safer in the long run for employees of all ages.

In this special issue of *Business Insurance*, we take a look at how safety procedures are evolving as more workers near retirement age. The issue includes discussions on the changing demographics of the U.S. workforce, the impact of older employees on workers comp losses, return-to-work procedures for aging staff members, and new approaches being used by employers—such as ergonomics, wellness programs and job matching—to reduce risks for mature workers.

Additionally, our fold-out data poster features the latest statistics on workers comp claim costs, frequency and severity for aging employees, as well as tips that can help employers safeguard older workers from workplace hazards.

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Shifting strategies to protect older workers

Employers modify safety programs as workforce ages

By SHEENA HARRISON

As the U.S. workforce ages, many employers are turning to ergonomics, wellness initiatives and modified job duties to help prevent injuries among their workers.

By making jobs more user-friendly for older workers now, experts say companies can lower their loss costs and number of workplace accidents, while improving safety and health down the road as younger workers age.

Common strategies being used by employers include increased lighting, installing slip-resistant flooring, incorporating light-duty tasks for manual-labor jobs, and modifying workspaces to reduce overhead lifting or other repetitive motions.

As the number of older workers grows nationwide, it's becoming more important for employers to adopt such strategies and prepare for the coming "silver tsunami," said Lance Perry, Keller, Texas-based senior ergonomist and engineer for Zurich Services Corp., a unit of Zurich North America.

"Everywhere I go, there is a significant amount of graying, and that is simply going to be a bigger concern later on," Mr. Perry said.

Injuries: Safety for the aging workforce

CONTINUED FROM PREVIOUS PAGE

Simultaneously, employers generally have not helped employees adequately prepare for retirement, while the boomers, or people born between 1946 and 1964, are healthier and living longer than previous generations, Ms. Norris said.

The longer lifespan means more people will have to work longer.

Increasing medical costs also may force older workers to delay retirement, especially those with chronic medical conditions that can add to workplace health and safety concerns, Ms. Norris and other observers added.

A series of surveys conducted by AARP over 13 years found consistently that baby boomers plan to work into their retirement years because of financial necessity, a need for health care coverage and other factors, such as personal enrichment.

AARP survey results from 2008, the organization's latest on the issue, revealed that 70% of U.S. residents planned to work into retirement. And that was conducted while the Great Recession was taking hold of the U.S. economy.

"So it really behooves the employer" to provide older workers with tools and work processes



SAFETY FIRST

Common strategies to make jobs more user-friendly for older workers

- Increase lighting
- Install slip-resistant flooring
- Incorporate light-duty tasks for manual-labor jobs
- Modify workspaces to reduce overhead lifting or other repetitive motions

"We are getting older, and we can't deny it."

CF Jordan Construction L.L.C. of El Paso, Texas, is using a wellness strategy for its 350 hourly workers—most of whom are over 40 years old.

Grace Herrera, senior manager of risk, safety and learning for the firm, said the company held a health fair in 2007 to help workers identify medical problems that need treatment, such as high blood pressure or diabetes. CF Jordan also has incorporated pre-shift stretching routines for employees, and wellness information often is presented to workers during the sessions.

The result has been a drop in injuries and claims for the firm during the past few years. The

improvements prompted CF Jordan to nearly triple the deductible on its workers compensation policy at its most recent renewal.

CF Jordan is "pretty confident that we have a good program," Ms. Herrera said. "Pretty much no claim is ever going to meet that deductible."

Stretching, conditioning and overall wellness are some of the several aging workforce strategies that have been advised by companies such as Zurich and The Hartford Financial Services Group Inc. of Hartford, Conn.

William Schaffner, vp of loss control for Hartford, said such tactics are helpful for older employees, who sometimes must cope with pre-existing medical conditions or non-work-related

that reduce the probability of injuries, Ms. Norris said. "We need to take that into context in our safety programs: How do we keep older folks from injuring themselves?"

Fortunately for employers, measures that improve the health and safety of older workers—such as better lighting, slip-resistant floors and chronic disease management programs—also benefit younger workers, several safety experts said.

While more older U.S. residents say they plan to work longer, many employers prefer to retain their expertise and job dedication, said Phyllis C. Cohn, a consultant with expertise on workplace aging who formerly worked on an AARP workforce issues team.

But Ms. Cohn said she fears many employers won't consider the safety needs of older workers unless the related health and safety costs reached a crisis point.

More employers are placing greater emphasis on addressing other health care and workers comp cost drivers, such as obesity, than on aging, said Janice Homola, a senior consultant in Lansing, Mich., for Coverys, a medical professional liability insurer.

But more employers are developing strategies to manage older-

worker issues, including health and safety measures, because companies want to benefit from older workers' knowledge and experience, said Ms. Homola, who helps employers develop worker injury loss-prevention programs.

One of her hospital clients, for instance, tried to lure back two cooks who had retired, but both declined the offer, so Ms. Homola said the hospital had to hire someone with less experience.

"There is a concern of losing the knowledge base that (employers) have with their experienced staff," she said. "I have seen quite an uptick in the interest level in aging in the workplace because employers are realizing how important it is."

But aging workers also are more susceptible to certain injuries, such as musculoskeletal disorders, than their younger counterparts, she said.

"So one of the strategies is to reduce (workplace) strains and sprains," which would benefit all employees regardless of age, Ms. Homola said.

NCCI Holdings Inc. research released in January found that there are differences in injury types where severity is driven by age.

For example, older workers suf-

fer more rotator cuff and knee injuries than younger employees, according to Boca Raton, Fla.-based NCCI.

Meanwhile, national demographic characteristics, such as the relatively fewer births that occurred during the 1980s, mean that the only substantial growth in worker numbers through 2020 will be among those 55 and older, Dr. Howard said.

While the percentage of younger workers and those in their midcareer stage will grow 5% to 7% over the next several years,

with Willis North America in Overland Park, Kan. Mr. Barry said the lighter chutes resulted in 30% fewer workers comp claims for the concrete company.

"Sometimes just rearranging things or using equipment we already have or changing a process can eliminate a lot of the exposure," Mr. Barry said. Some warehouse operations have been advised to place popular items on shelves where employees can avoid bending or reaching, said Wayne Maynard, Hopkinton, Mass.-based manager of technical services and product development for Liberty Mutual Group Inc.'s Loss Control Advisory Services unit.

The addition of more frequent rest breaks, as well as allowing laborers to perform some light-duty tasks during their shifts, also can help aging workers recuperate from physically demanding work, Mr. Maynard said.

"It's very important to consider recovery time," he said. Experts say safety strategies for the aging workforce are beneficial for workers of all ages. By using designs and processes that reduce strain and accidents, companies reap the benefits of an overall safer workplace, Mr. Perry said.

"You have to redesign the job to help minimize the (age) gap, and if you can do that, life is good everywhere," said Zurich's Mr. Perry.

TENDENCIES

Older workers tend to be employed in less physically demanding industries and occupations, by percentage of age group.

Industry	65 and older	16-64 years
Management, professional	34.3%	32.6%
Sales, office	29.4%	25.6%
Service	17.2%	16.8%
Production, transportation	12.1%	13.2%
Construction	5.4%	10.2%
Farming, fishing, forestry	0.9%	0.7%
Military jobs or unemployed	0.6%	0.9%

Source: U.S. Census Bureau, American Community Survey

fer more rotator cuff and knee injuries than younger employees, according to Boca Raton, Fla.-based NCCI.

While the percentage of younger workers and those in their midcareer stage will grow 5% to 7% over the next several years,

the percentage of workers age 55 and older will grow about 60% to 70%, Dr. Howard added.

"That is a demographic employers need to be aware of," because the decline in body functionality that accompanies aging raises questions employers need to weigh, Dr. Howard said.

He said questions to ask include: "Is there anything I can do that would help keep those workers safer or healthier so my workers comp premium doesn't go up and my health insurance premium doesn't go up?"

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Premiums balance losses for older workers

By **ROBERTO CENICEROS**

Workers compensation claims filed by older employees tally medical and indemnity severity losses that are higher on average than claims filed by their younger counterparts.

But employers often pay more workers comp premiums when they have older workers on staff. For insurers, that offsets the added loss costs stemming from the increased severity of claims filed by injured older workers.

Consequently, a research brief released this year by NCCI Holdings Inc. concluded that the growing number of older employees in the U.S. workforce may have a less negative impact on insurer loss costs than industry observers traditionally have anticipated.

Employers often pay more in workers comp premiums when they have older employees because mature workers typically earn more in wages than younger employees. Meanwhile, the premium amount companies pay for workers comp coverage depends, in part, on their total payroll; the larger an employer's payroll, the greater the workers comp premium the employer pays.

"The rate for (an industry) class is the same, but if older workers (contribute to) higher payrolls, then that is going to generate more premium and that tends to offset the somewhat higher cost of the severity," said Harry Shuford, NCCI's chief economist.

NCCI is a Boca Raton, Fla.-based research

and workers comp rating entity for 37 states. It conducted its study into claims filed by older workers because of "widespread concern about the potential adverse impact on workers compensation loss costs as the baby boomers postpone retirement and accelerate the aging of the workforce."

Overall, NCCI concluded in its research brief, "Workers Compensation and the Aging Workforce," that its findings "can be viewed as reassuring, in that an aging workforce may have less negative impact on loss costs than originally thought."

Among reasons that NCCI said its findings can be viewed as reassuring is that "all groups of workers age 35 to 64 appear to have similar costs per worker."

NCCI's findings, however, do not diminish the need for employer safety programs that consider the specific needs of an aging workforce and a changing work environment in general, Mr. Shuford said.

"There is no doubt that as we get older we are susceptible to different types of injuries than when we are younger and safety and loss control techniques...would be appropriate," Mr. Shuford said.

NCCI found, for example, that older workers tend to suffer more rotator cuff and knee injuries than younger workers because

wear and tear on those body parts accumulate as people age.

The types of injuries older workers tend to suffer account for about half of the increased indemnity and medical severity that their claims exhibit over those filed by younger workers, NCCI's research shows.

In total, the older worker claims—those filed by claimants ages 45 to 64—accounted for more than 50% greater indemnity severity and more than 50% greater medical severity than claims filed by workers ages 20 to 34.

Safety programs can focus on the higher exposure presented by older workers, Mr. Shuford said. Training, for example, can educate workers on appropriate ways to reach and lift to mitigate shoulder-injury risks.

Past NCCI research has discussed other older-worker challenges, such as an increased likelihood of losing one's balance. Therefore, handrails and supports to grab onto can improve safety for older workers.

Mr. Shuford said such measures also would benefit younger workers who, as NCCI's most recent research showed, suffer more back and shoulder sprains than older employees.

Mr. Shuford said there are several factors, including an aging workforce, that may call

for different safety strategies today than those applied in the past.

Emphasis on sound ergonomic principles is more important today, for example, because more employees work at sedentary jobs rather than in physical occupations or jobs requiring operating dangerous machinery.

"Even in manufacturing plants, you are (often) standing at a console or sitting at a console," Mr. Shuford said. "Either of those creates particular kinds of exposures, but those (risks) are different from standing at a piece of operating equipment and worrying about safety guards."

As for NCCI's research brief on aging workers, one of its key revelations is that the greater losses generated by injured older workers, in contrast to those generated by injured younger employees, is explained by the higher wages paid to mature employees, said Chris Cunniff, senior vp and workers compensation product manager for Liberty Mutual Group Inc. in Boston.

"Certainly an aging workforce is part of underlying demographics and shouldn't be of undue concern, but one that is part of an overall trend where employers and insurers should focus on preventing accidents, (managing injury severity) and controlling costs," Mr. Cunniff said.

NCCI also found, among other evidence, that a longstanding tenet that younger workers experience much higher injury rates than their older counterparts no longer holds true, as claims frequency differences have "virtually disappeared."

50%

In total, the older worker claims—those filed by claimants ages 45 to 64—accounted for more than 50% greater indemnity severity and more than 50% greater medical severity than claims filed by workers ages 20 to 34.

Data drives safety programs for commercial fleets

By **LOUISE ESOLA**

Data shows that motor vehicle accidents are the leading cause of occupational fatalities for workers 55 years or older, but statisticians suggest this fact may be tied to more than just age and chronic health conditions.

Meanwhile, companies on the cutting edge of accident prevention are targeting driver practices and technologies to increase safety overall rather than focusing on age alone, according to experts.

But the numbers paint a bleak picture for older workers.

According to figures gathered by the National Institute for Occupational Safety and Health, 3,200 workers ages 55 and older died in work-related crashes between 1992 and 2002, representing 22% of all occupational fatalities for workers in this age group.

NIOSH has called the relationship between age and driving behavior "complex," noting in safety documents that changes due to normal aging—such as eyesight, muscle strength and range of motion—may affect a person's ability to drive, and that conditions such as arthritis and macular degeneration may contribute to the statistics.

"Older drivers are at 2.2 times the risk rate of young drivers (of getting into a work-related automobile accident)," said Stephanie

Pratt, Morgantown, W.Va.-based coordinator for NIOSH's Center for Motor Vehicle Safety.

Ms. Pratt said when it comes to work-related driving, however, age is just a number.

Looking at the entire range of risk factors, "age isn't it; it's the kind of work that is more important," said Ms. Pratt. "Actual miles driven are not taken into account, and we don't have data on that. Age makes a difference, but it's hard to say when you look at other factors."

According to Ms. Pratt, a truck driver with longer hours on the road has a higher probability for an accident than someone driving for only part of a workday. "Here we look at who has more exposure to driving."

Centers for Disease Control figures from 2003 to 2008 list truck drivers as having the highest number of fatalities in the driving workforce, accounting for 2,320 fatalities—28%—of the 8,173 deaths that occurred in that five-year period.

Another expert says experience also has more to do with accidents than the health factors associated with age alone.

"It's the experienced drivers that have developed the unsafe habits," said David Mitchell, Little Rock, Ark.-based director of risk control and safety management with Aon Risk Solutions' trucking practice. "These are habits they

TIPS FOR PREVENTING WORK-RELATED CRASHES

NIOSH suggests employers follow these guidelines to manage their workforce drivers:

- Develop policies that assign a key member of management responsibility for setting and enforcing a comprehensive driver safety policy.
- Enforce seatbelt use.
- Do not require irregular hours; keep workday hours normal.
- Promote worker health and safety through diet, exercise and smoking cessation programs.
- Assess driver ability through regular physical examinations.
- Restrict driving based on assessment of ability and not on age or health alone.
- If a worker's ability is affected temporarily, assign him or her other duties than driving.
- Provide refresher driver training and encourage older workers to attend.
- Maintain complete and accurate records of drivers' performance.
- Encourage familiar driving routes.

later realize are unsafe."

Mr. Mitchell, whose office works with more than 50 midsize and large trucking companies developing risk management practices for more than 40,000 drivers nationwide, has watched the industry shift into one that once was ad hoc to one that is now heavily regulated.

The changes haven't been adopted swiftly by those in the industry the longest, he added.

For example, Mr. Mitchell said, 15 years ago a fatigued driver of a tractor-trailer could pull off along the shoulder of a highway to take a needed rest, a longstanding workday habit that had been shown to cause collisions on the roadway. That practice is banned in several states, and interstate trucking firms as a result have banned the practice altogether, said Mr. Mitchell.

"The experienced drivers are

the ones who tend to do this still," he said.

That's why a top risk management strategy for companies that deploy drivers on the roadway is to monitor drivers, he said.

Among the most popular, electronic control modules installed on vehicles allow companies to monitor such actions as how often a driver hits the brakes—a sign that he or she may be tailgating; whether he or she tends to make rapid movements, from turns to lane changes—a sign that he or she may not be an attentive driver; and how fast the driver is going. Technology also can preset how fast a vehicle can go, with a standard of 65-70 miles per hour in some instances, said Mr. Mitchell.

"We are finding that there are a lot of safety management techniques out there," he said.

As for limiting exposure, federal regulations also help, providing guidance on how fast and how far a truck driver can go on an interstate highway in a given work day, he added.

Anne McCart, Arlington, Va.-based senior vp for research with the nonprofit Insurance Institute for Highway Safety, said the regulations and the ongoing research have helped create a safer workplace, although the work is far from complete.

"For years we thought the government could do better and it has," she said, adding that larger trucks and buses—and not age of the drivers alone—have been a focus for some time.



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Opinions

EDITORIAL

Older workers bring new risks

Changes in workforce demographics pose real challenges for employers and their workers compensation insurers. The average age of the U.S. workforce is older than it was 20 years ago, and the upward trend is not expected to ease anytime soon.

The graying of the workforce clearly affects some industries more than others. But many employers are seeing the trend already, and there is very little they can do to reverse it. Baby boomers make up the larger part of the workforce and, due to the financial crisis of 2007-2009, many of them are putting off retirement.

While fears about the higher incidence of injuries for older employees may have been overstated in the past, there is little doubt that older workers present different safety risks than their younger co-workers. Issues such as eyesight and hearing, the ability to lift heavy weights and recovery time after injury all become a bigger concern with older workers.

To address these risks and to keep control of workers comp losses, employers must adapt their safety programs to take more consideration of the needs of older workers. As workers age, tasks that they could complete easily when they were younger become more difficult, and they may need additional help to complete those tasks safely. Employers seeking to change the way employees perform tasks need to make resources available to evaluate work procedures, then make the necessary changes to prevent injuries.

Making support available, though, is only half the battle. Keeping workers healthy so they are less likely to be injured in the first place also should be a key concern of safety professionals. And providing the necessary training to encourage healthy living needs to be carefully thought out and tailored to address the concerns and sensibilities of older workers.

By investing in the right tools and the right techniques, companies should be able to help their workforce and see a return on investment through lower comp claims.

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SCHILLERSTROM



COMMENTARY

Don't discount experience, knowledge

U.S. Supreme Court justices are great examples of people who make extraordinary contributions in the workforce despite their advanced age.

The justices should serve as a reminder to employers that while our culture worships youthfulness, it's experience, knowledge and sound judgment—all valuable workplace attributes—that often accumulate with age despite the body's deterioration.

Associate Justice Ruth Bader Ginsburg is 78 years old, while Associate Justices Stephen G. Breyer, Anthony M. Kennedy and Antonin Scalia also were born in the 1930s.

Associate Justice Clarence Thomas was born during the 1940s.

Yet we entrust their aging minds to sort out the nation's most complex and high-profile legal disputes, such as the legality of the health care reform law.

At 57, Chief Justice John G. Roberts is a relative youngster compared with the associate justices mentioned above.

Employers should think about the justices' contributions because, on average, the nation's workforce is aging rapidly. Workers 55 and older are projected to make up about 25% of the U.S. workforce by 2018, up from 18% just four years ago.

In this special issue, we look at how aging employees will have an increasing impact on workplace safety and workers compensation claims in the coming years.

As younger employees account for a shrinking proportion of the nation's workforce, employers need to make some worksite adjustments to accommodate an increasing number of workers who either need or want to remain on the job past the

typical retirement age.

But as our Supreme Court justices have demonstrated, aging is not synonymous with incompetence or an inability to contribute in a big way.

While in most cases it's safer to assign younger workers to take on certain tasks, such as those requiring constant bending and lifting, even that isn't certain.

A physically fit baby boomer might be better suited to a job requiring agility than an obese 30-something whose back injury likely will require additional medical treatments because of his or her weight or mental disposition.

Some smart employers have taken on the task of helping ensure that their valuable yet aging skilled workers stay fit.

That is smart, because I suspect that their accumulated skill, knowledge and sound judgment will be among the greatest points of value that aging workers will deliver for their employers.

It is no surprise that U.S. presidents have historically tended to nominate people 50 or older to serve on the Supreme Court.

Associate Justice Elena Kagan, now the youngest member of the high court panel, was 50 when President Barack Obama nominated her in 2010. Associate Justice Sonia Sotomayor was 54 when the president nominated her in 2009.

Justices Kagan and Sotomayor likely would be among the oldest colleagues in most workplace settings and certainly not the youngest. However, that is likely to change, especially when economic growth creates more demand for the baby boomers' skills and experience.

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**ROBERTO
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SENIOR EDITOR

Perspectives

As workers near retirement age, sustaining a safe work environment and optimizing work performance requires real engagement between worker and employer. Poor job performance and injuries that lead to extended disabilities can result when workers disengage. During the transition from full work to full retirement, value judgments can and do have as much impact as physical and mental health, says Kenneth Mitchell of WorkRx Group Ltd.

Helping older employees dance to the music of time

By Kenneth Mitchell



Mr. Mitchell

The primary career development task for an older workforce is making sound health and financial decisions that support an exit from the workforce.

The old gospel spiritual “Time has made a change in me” reminds us that we are not who we were yesterday, nor will we be the same tomorrow as we are today. Aging bodies and minds clearly have an impact on workplace productivity and performance.

Older workers offer risks, as well as rewards for the employer. The National Research Council reported in “Health and Safety Needs of Older Workers” that workers over the age of 50:

- Are safer, having fewer work-related lost-time injuries than younger workers. Yet older workers experience more chronic diseases and musculoskeletal impairments.

- Have a lower incidence of depression, but the highest incidence of cancer.

- Have significantly lower incidence of short-term disability claims, but stay off work longer when taking a disability leave.

- Can learn new jobs or skills, though they may require changes in the learning process and environment. More importantly, older workers’ learning is significantly influenced by their personal choices to engage in the learning or not. The choice is based on the perceived value of the proposed education opportunity.

- Have increased decision-making and judgment capacity in their mid- to late 40s through mid-60s.

- Report on job-satisfaction ratings that such things as job security, loyalty, benefits and feeling safe at work are “very important,” more so than salary.

These risks and rewards, when connected with the current workforce patterns and trends reported by the U.S. Bureau of Labor Statistics, the U.S. Government Accountability Office and the AARP Public Policy Institute illustrate the need for employers to pay attention. For example:

- More people over the age of 55 are employed than ever before.

This number is expected to grow each year through 2020.

- The largest single group of American workers during the next eight to 10 years will be over 50 years of age, with women between the ages of 50 and 60 being the largest subgroup.

- A majority of workers over 55 are less confident that they will have sufficient funds to live on during the estimated 20 years post-retirement individuals are expected to live.

The primary career development task for an older workforce is making sound health and financial decisions that support an exit from the workforce. These decisions and transitions begin long before the actual day of retirement. Some decisions are obvious, others more subtle. If not managed appropriately, the result can be costly with undesirable outcomes for all involved.

Productive aging is a personal and a corporate philosophy, supporting an informed and a well-defined transitional strategy to move from full work to full retirement. The productive aging model best fits individuals 55 years or older who are likely to want to, as well as need to, work for five to 10 more years beyond traditional retirement age. Productive aging is built on the foundation of:

- A commitment to work/lifestyle choices that sustain productivity during a distinct career transition.

- The reduction of health risks along with the impact of chronic musculoskeletal impairments.

- The pursuit of continuous engagement in skill development and learning.

Driving force

The driving force in sustaining a safe and optimum work performance during the productive aging period is the level of engagement between the employee and the employer. The natural ebb and flow of engagement challenge the employer and older worker. Competing values and changing self-interests create barriers to a mutu-

ally beneficial transition. The older worker and the employer are joined in a silently choreographed retirement dance.

In day-to-day terms, engagement—i.e. commitment/emotional involvement—is a function of value judgments. For example, a particular kind of work or way of doing work that once held high value, generated and sustained high interest and was felt to be vitally important, may begin to become less valued. A person may tire of some aspect of a job, such as traveling or an intrusive management style. The individual may simply reach a point where the satisfaction once gained from work or a particular job is no longer present.

Likewise, commitment to and emotional involvement with people—e.g. co-workers—are subject to the same types of value changes. A productive worker can slowly transform into a benign workplace curmudgeon. It is when the older worker alienates management and co-workers alike that the retirement dance takes on a different tone and urgency. During the transition from full work to full retirement, value judgments can and do have as much impact as one’s physical and mental health.

Engagement has many faces. A critical task for employers is to recognize the degree of engagement the employee is exhibiting. Likewise, employers need to recognize the level of commitment the organization presents to the employee.

Employee disengagement—or the “retirement two-step”—occurs when the older worker withdraws, intentionally or unintentionally, from the workplace before a formal retirement. This is characterized by poor job performance, petty workplace squabbles, and real injury but with exaggerated medical symptoms to seek relief through a disability claim. Employee disengagement may be more related to career fatigue, ambivalence related to wanting to be someplace else doing anything

else, or family health issues.

On the other side, management disenfranchises the older worker when it reduces (intentionally or unintentionally) the level of expectations, benefits or recognition of the older worker. This may be commensurate with a change in organizational mission or expense control. Employers can misinterpret changes in employee functional capacities and priorities as a lack of commitment to the organization. A common employer strategy is to start a process of monitoring, performance management and moving the employee figuratively and literally out the door. When this occurs, unintended consequences occur.

Employers have choices. Disengagement can be ignored at the cost of losing a valued and skilled senior worker. Or the employer can prevent this back-door attrition by calibrating the degree of engagement/disengagement and applying all or portions of a productive aging program. Human resource assessment tools are used by a wide range of large and small employers to gain insight to the level of engagement the employee may have at critical points in their work life. With such calibration, a re-engagement plan can be developed.

Excessive costs and emotional baggage of a negative career exit are unnecessary and have a long-term impact on the younger workers who are interested spectators of the dance.

Productive aging offers a common-sense approach to reducing the risk and enhancing the rewards of the older worker. A measurable productive aging dividend can be achieved in the form of continued engagement between the employer and the employee. Continuous engagement reduces lost time and unnecessary use of the health care system to keep the retirement dance one of grace and dignity.

Kenneth Mitchell received his Ph.D. from Pennsylvania State University. He is a tenured associate professor at the University of North Carolina at Chapel Hill, School of Medicine; director of rehabilitation for the Ohio Industrial Commission; vp of health and productivity development for Unum US; and currently serves as the managing partner of the WorkRx Group Ltd. He can be reached at kmitchell@workrxgroup.com.

Perspectives

Safety measures help all workers, but evaluating safety with older workers in mind can help them meet unique challenges, says Rick Goggins, senior ergonomist for the Washington State Department of Labor and Industries.

Workplace safety good for all ages

By Rick Goggins

It's a good idea to evaluate the workplace with aging workers in mind, and there are steps that can help address the physical and mental changes that come with age. But it's best if changes to the workplace help all employees.

One example would be putting in a hoist or some other type of lifting device to replace lifting moderately heavy objects by hand. This would help older workers to continue doing that job, and it also would reduce the risk of back and shoulder injuries for all workers. It also would make it more likely that an injured worker of any age would be able to

return more quickly to that job.

Another example would be allowing more individual control over lighting where jobs have high visual demands. Older workers need more light, but they're also more sensitive to glare, so they need to be able to position the light in just the right place. But having that ability also would help younger workers to see their work more clearly.



Mr. Goggins

Slips, trips and falls also are things that deserve more attention. With age comes decreased vision, changes in balance, slower reflexes and reduced leg strength, all of which makes it more likely that older workers will fall if anything upsets their balance.

The same types of falls are more likely to cause serious injuries, or even fatalities, among older workers when compared with younger ones. Keeping areas free of trip hazards, cleaning up spills quickly, using nonskid floor surfaces, designing good stairways, and finding alternatives to ladders for accessing high areas are all steps that can reduce falls among workers of all ages.

One of the reasons you want workplace changes to support workers at every age is that we are all part of the aging workforce, not just older workers. The reality is that, once we stop growing, we start aging.

Many of our cognitive and physical capabilities have peaked by the time we're in our 20s and early 30s. Rates for some types of

workplace injuries peak among workers in their 30s, and then decrease in older workers. It is true that older workers take longer to recover from injuries and illnesses, and they may need some extra attention when it comes time to return to work. But a lot of the steps you might take to return an older employee to his or her job also would help to bring a younger employee back that much faster.

Despite the physical and mental changes that happen with age, it hasn't been shown in most cases to negatively impact the work performance of older employees. In most jobs, experience is at least as important as speed of movement or the ability to process information rapidly.

You still may see labor shortages in some industries due to the aging workforce, despite continued high unemployment in general. Some specific industries or occupations can have trouble finding people with the right level of training and experience to fill positions that are being vacated by retiring workers. This might be especially true in physically demanding jobs where it's difficult for older workers to want to stay on, even when employers are offering incentives.

Full-time participation in the labor force among people age 65 and older is projected to increase by an even higher percentage

than was predicted just a few years ago, when it was thought that most older workers would choose part-time or seasonal work.

I've seen some discussion of this in the safety community, and even more among ergonomists. Just about every national ergonomics conference for the past several years has included at least one session on the aging workforce. Because ergonomists' main goal is to design the workplace around the capabilities and limitations of the workers, they have the skills and expertise to help design an "age-friendly" workplace.

Ergonomists also understand the importance of individual differences among workers. On average, physical strength and visual acuity decline with age, but there are always going to be older workers who can outwork their younger counterparts, or who still have perfect eyesight.

Rick Goggins is senior ergonomist for the Washington State Department of Labor and Industries, where he has been working for 16 years. Prior to that, he worked with Hughes Space & Communications Co.'s safety, health and environmental affairs group in El Segundo, Calif. He has a master's degree in ergonomics from the University of Southern California and is a Certified Professional Ergonomist. He can be reached at (360) 902-5450 or rick.goggins@lni.wa.gov.

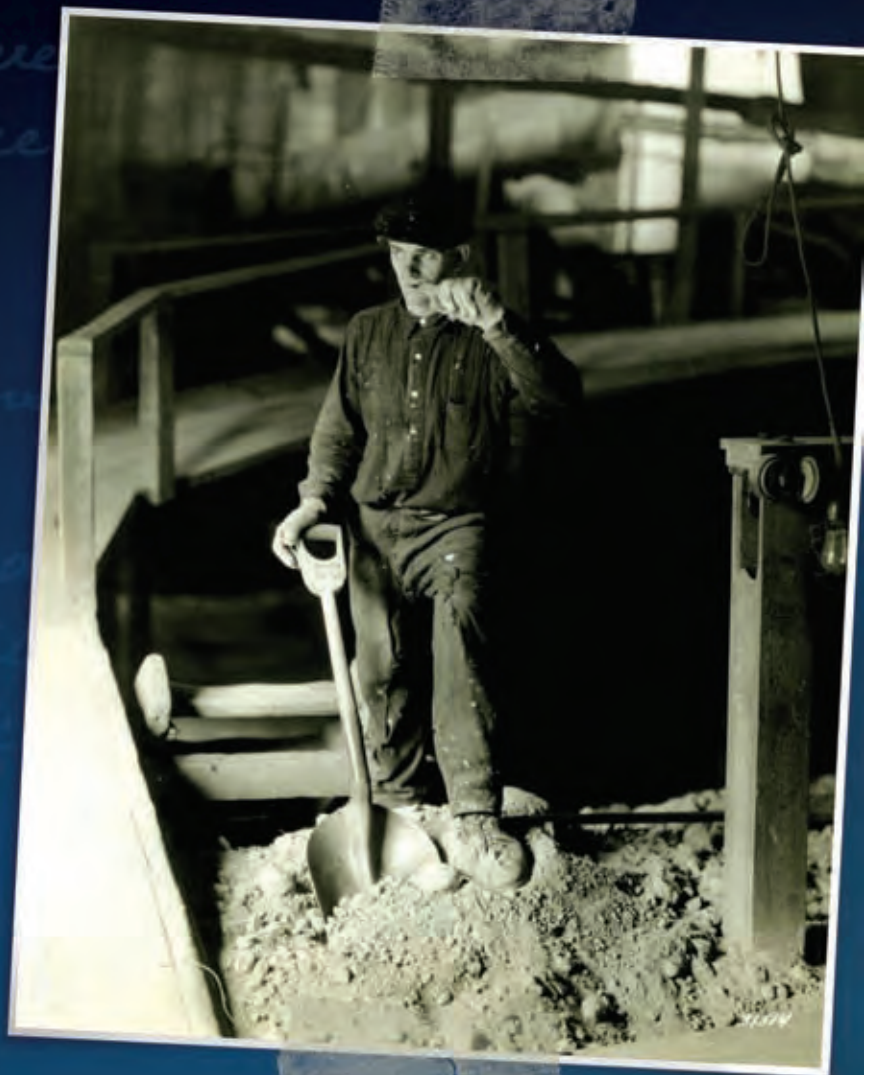
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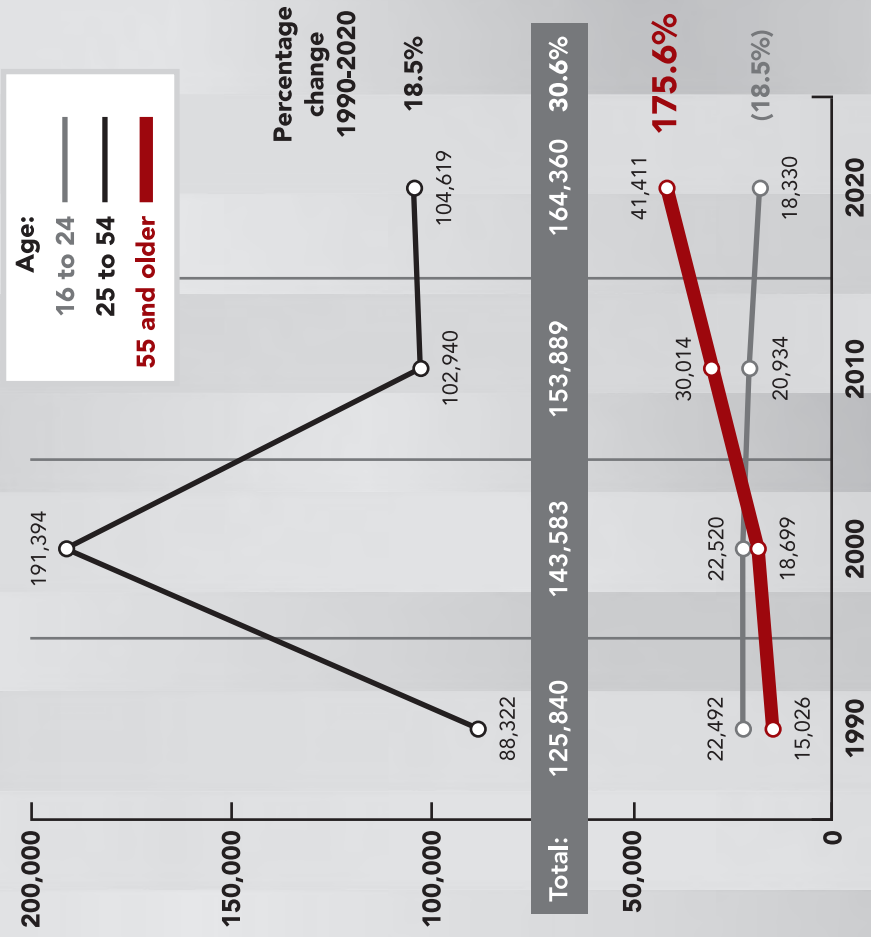
Older workers, new strategies

Business Insurance®

Adapting safety programs for the graying U.S. workforce can yield savings

Workforce growing older

U.S. civilian labor force
(in thousands)



Source: U.S. Bureau of Labor Statistics; 2020 projected

Frequency of claims not higher...

Frequency has fallen across all age groups and differences by age have narrowed

Derived injury and illness incidence rates involving days away from work per 10,000 FTE workers

Incidence rate **300**

Return to work slower for older workers

Lost time by age group

Number and median days away from work for nonfatal occupational injuries in 2010, by age group for private employers

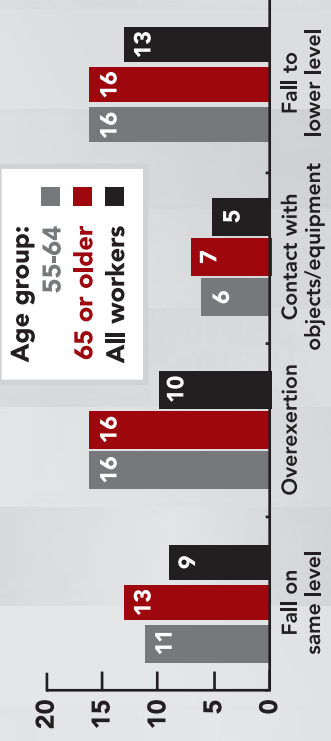
Age	Number	Incidence rate ¹	Median days away from work
16 to 19	22,140	114.4	4
20 to 24	87,370	111.4	5
25 to 34	201,710	100.1	6
35 to 44	208,520	105.4	8
45 to 54	239,100	115.6	10
55 to 64	132,900	108.9	13
65 and older	27,680	98.5	15
Total cases	933,200	107.7	8

¹ Incidence rates represent the number of injuries and illnesses per 10,000 full-time workers

Source: U.S. Bureau of Labor Statistics

Lost time by type of claim

Days absent from work for employer-reported nonfatal occupational injuries by older workers for selected accidents



Source: Centers for Disease Control and Prevention

Improving safety for older workers will lower claims and their higher costs

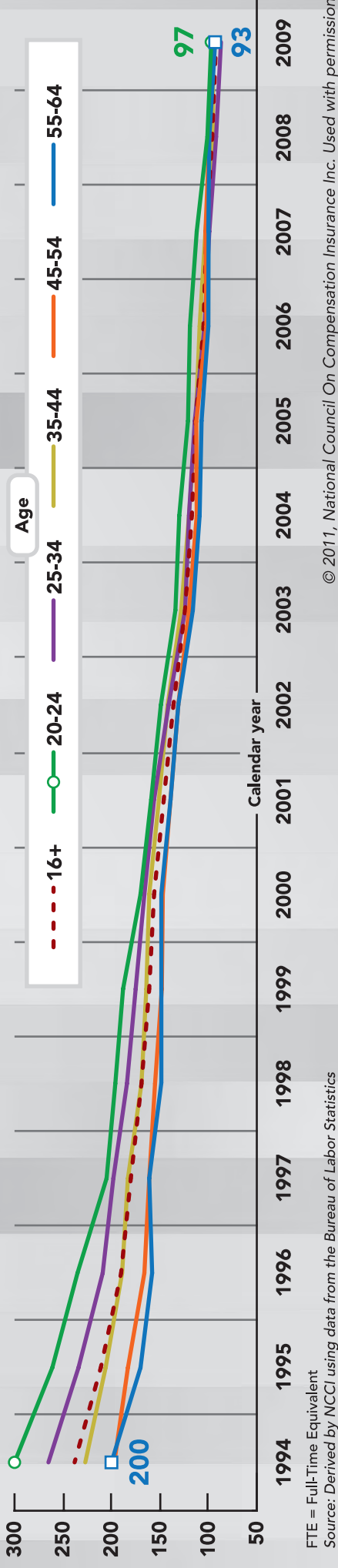
Effective steps for reducing accidents, injuries involving older workers*



VISION

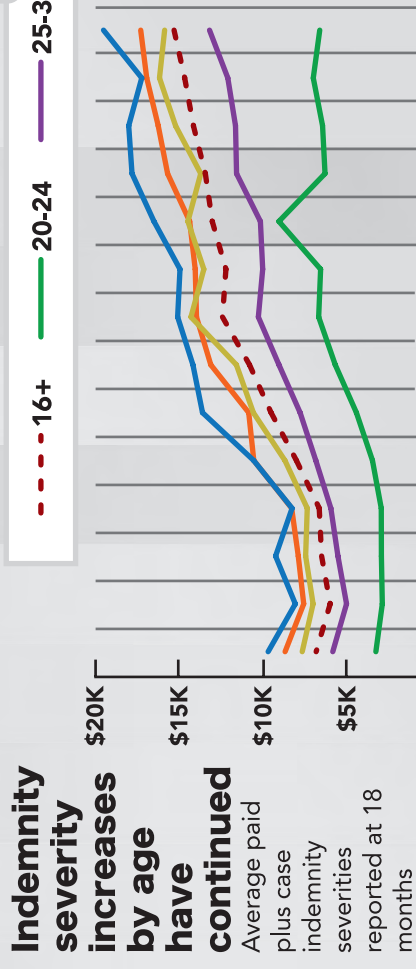
- Screen for vision impairment
- Provide adequate levels of light
- Consider text size of signs, controls and displays
- Use color contrast in signs to help identify potential hazards





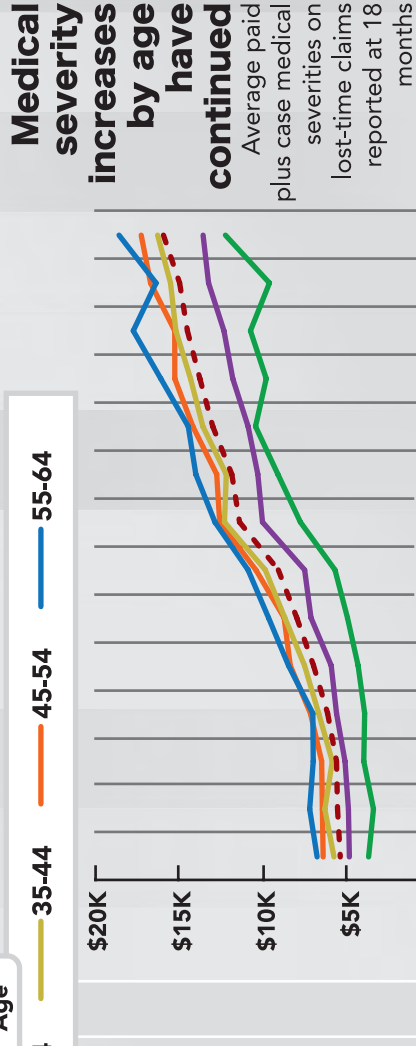
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...but severity of claims rises with age



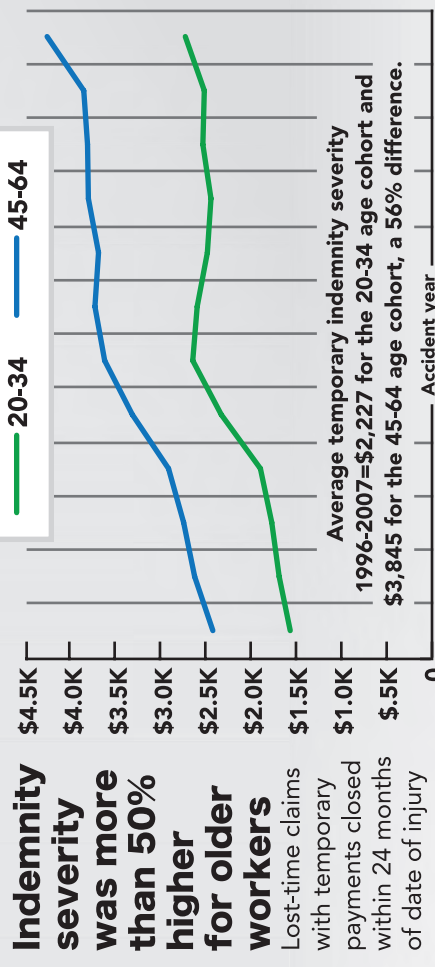
Source: NCCI DCI Data

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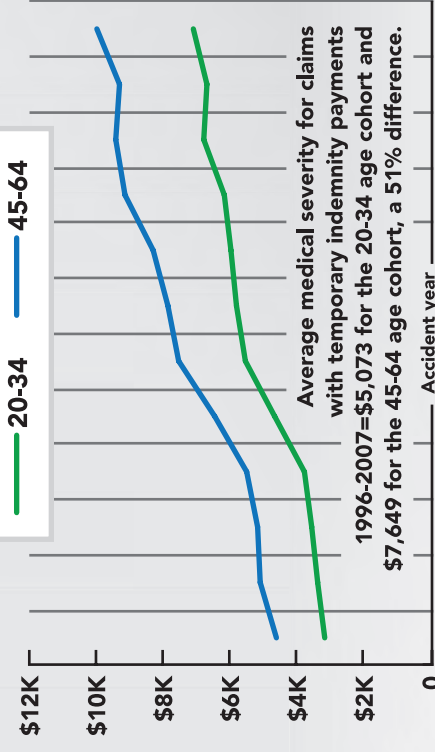
Source: NCCI DCI Data

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HEARING

- Screen for hearing loss
- Minimize exposure to loud noise
- Minimize background noise



COGNITIVE ABILITY

- Minimize tasks requiring quick decisions
- Reduce distractions and simultaneous demands
- Provide opportunities for practice and time to develop task familiarity



MOVEMENT CONTROL

- Minimize tasks that require quick reactions
- Allow additional time to perform manual tasks
- Consider good ergonomic design by limiting the number and weight of lifting tasks
- Install skid-resistant material for flooring and stair treads

* Based on tips from the American Society of Safety Engineers and the National Safety Council

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INSIGHTS TODAY FOR THE RISKS OF TOMORROW

Finding the right tasks for older workers cuts claims

By **ROBERTO CENICEROS**

The established safety practices of matching individual capabilities to job tasks and designing workstations and tools to fit workers are even more crucial for reducing injuries as the nation's workforce ages.

Assigning the right employees to specific jobs with safety in mind helps reduce injuries regardless of an employee's age, according to experts.

But mature employees are more likely to experience decreasing physical capabilities, aging musculoskeletal systems, the onset of arthritis, eyesight deterioration, slower reaction times and longer durations for recovering from injuries.

Those conditions heighten the need to match jobs and work environments to the worker, the experts said.

"The traditional approach of designing workstations and tools to be more ergonomic absolutely is (important), but when you talk about the aging workforce, it's even that much more important because from a physiological standpoint bodies start to change whether it's your vision or strength or cardiovascular system," said Winnie Ip, director of consulting for Humantech Inc., an ergonomics consulting company in Ann Arbor, Mich. "So as you get older, it becomes more and more important that we make sure that we design workstations and equipment to fit the person."

Yet generalizing about aging employee capabilities is also a mistake, because as the population ages there is greater variation among individuals, said Dr. Glenn Pransky, a medical doctor and director of the Center for Disability Research at Liberty Mutual Group Inc.'s Research Institute for Safety in Hopkinton, Mass.

While solid research data points to certain deteriorating abilities related to aging, such as decreasing eyesight or hearing, other attributes often associated with aging vary among individuals, Dr. Pransky said.

Some older workers may take care of themselves and are more physically fit than they were in their younger years, for example. Meanwhile, others may be "just hanging on," barely able to meet their job's physical demands, Dr. Pransky said.

Additionally, many mature workers have learned from experience how to perform a job safely, while others may be suffering from deterioration caused by years of repeating similar motions, several sources said.

The variations are why individual assessments of whether workers fit the tasks at hand are crucial, Dr. Pransky added.

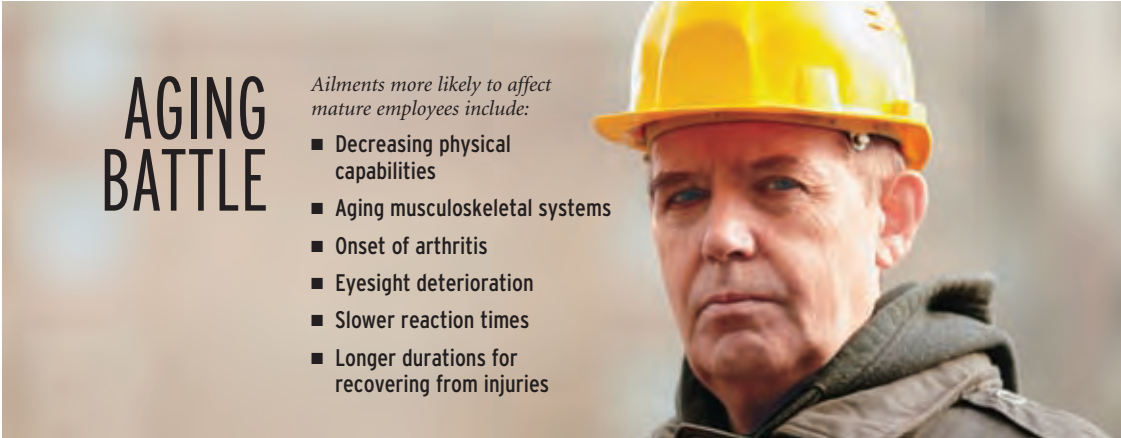
"You really don't want to over-generalize and end up making mistakes where you are somehow limiting folks or discriminating and doing this without a strong

scientific basis or individual assessments," Dr. Pransky said.

"The research doesn't point so much to age-specific issues other than vision or hearing, but it more points to the fact that, like any worker, you have to think of the match between the person and the job," Dr. Pransky continued. "A mismatch will be a problem whether the person is young or old."

Still, research results released in January by Boca Raton, Fla.-based

See **SPECIFIC** next page



AGING BATTLE

Ailments more likely to affect mature employees include:

- Decreasing physical capabilities
- Aging musculoskeletal systems
- Onset of arthritis
- Eyesight deterioration
- Slower reaction times
- Longer durations for recovering from injuries

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Finding the right tasks for older workers cuts claims

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Communicate during recovery to make workers feel valued

Employers can foster faster healing times, reduced comp costs

By SHEENA HARRISON

Communication is key for employers who want to help aging employees recover from workplace injuries and return to work sooner, sources say.

Experts at such companies as Lockton Cos. L.L.C. and Liberty Mutual Group Inc. advise clients to talk often with older workers who have been hurt on the job, and let them know that their contributions to the workplace are missed.

By reaching out to such employees, companies can help reduce workers compensation

claim costs and retain experienced staff members.

"We want to help our clients send the message that 'we want you at work because you're going to heal better when you're at work,'" said Beth Wood, Kansas City, Mo.-based vp and claims cost control consultant with Lockton.

Workers age 55 and older often have spent years or decades with their current employers and have a "strong workplace attachment factor" to their jobs, said Wayne Maynard, Hopkinton, Mass.-based manager of technical services and product development for Liberty Mutual's loss control advisory services unit.

Workers who feel their employers are invested in their health could be more likely to strive for a faster recovery, Mr. Maynard said.

However, employees who feel they aren't missed may see slower return-to-work times.

"If they...feel that the company just doesn't show interest in them coming back, then they may not come back," Mr. Maynard said.

Return-to-work policies that focus on aging workers are critical in helping companies reduce rising workers comp claim costs, experts say.

Workers over age 55 spend 15 days out of the office during the average indemnity claim, compared with one day for younger employees, Ms. Wood said.

While older workers are hurt less frequently on the job than their younger colleagues, their workplace injuries tend to be more severe, according to a recent study from Boca Raton, Fla.-based NCCI Holdings Inc. Older workers also have higher indemnity costs, the study said, because they receive higher wages than younger employees.

Helping older workers return to their jobs has been a growing concern for companies that want to retain employees who are skilled and loyal, said Kim Lukanic, Chicago-based return-to-work practice lead for Sedgwick Claims Management Services Inc.

"They've done the same job for 30 years, they've got a great dedication to their company, and all of the sudden they're injured and they don't necessarily have a lot of residual functional capacity as far as other jobs they can do," Ms. Lukanic said.

Mr. Maynard recommends that direct supervisors maintain communication with employees who are out on leave. Phone calls, cards or other messages can help workers feel that team members care about their recovery, he said.

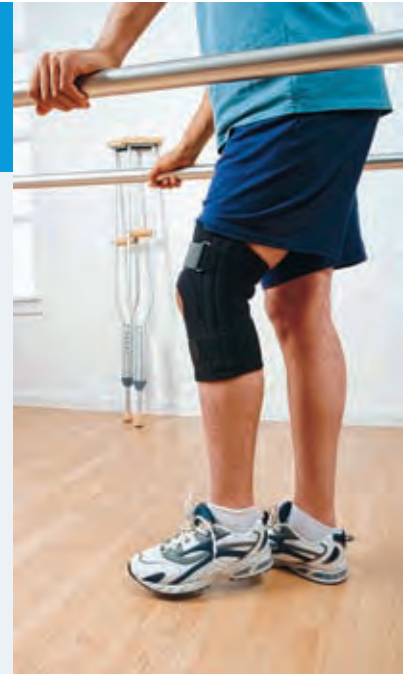
"Don't leave them out there," he said.

Ms. Wood of Lockton says companies should strive to create a

BETTER RECOVERY

Ways employers can modify their return-to-work programs to help speed recovery for aging workers

- Assign transitional tasks that allow injured workers to perform as much of their usual work as possible
- Create individualized return-to-work strategies for employees
- Inform co-workers about an injured employee's modified job duties
- Seek ergonomic solutions to help workers of all ages work during their recovery



healthy corporate culture that makes employees look forward to returning. Supervisors also should let workers know that they can ease into their jobs as they recover from injuries, she said.

"If you can't do 100% of your job, that's OK, we still need you," Ms. Wood said of the message companies should send to injured employees.

Companies can modify their return-to-work programs in additional ways to help speed recovery for aging workers, sources say.

Recovering employees should be assigned to transitional tasks that allow them to perform as much of their usual work as possible, said Colleen Britz, ergonomics practice leader of workforce strategies for Marsh Risk Consulting in Los Angeles.

Workers who have been off the job can lose work-related muscle conditioning, making it more difficult for them to heal from injuries, she said. This can be particularly true for older workers, because people tend to lose strength as they age.

By having employees continue a close-to-normal work routine—rather than performing menial tasks—employers can hasten workers' recovery time.

"You want them to do as many components of their job as possible from a productivity standpoint, and also so you don't have

them deconditioning," Ms. Britz said.

Liberty Mutual's Mr. Maynard said companies should create individualized return-to-work strategies for employees, which can include adjustments that help older employees transition back into their regular work.

"It might mean more or additional types of accommodations, like a more flexible work schedule or an adjustment to work pace," Mr. Maynard said.

Employers also should inform co-workers about an injured employee's modified job duties, said Lance Perry, Keller, Texas-based senior ergonomist and engineer for Zurich Services Corp., a unit of Zurich North America.

By discussing a strategy with the team, companies can reduce potential negative reactions from employees who believe that the recovering worker isn't pulling his or her own weight, Mr. Perry said.

Additionally, he said companies should seek ergonomic solutions to help workers of all ages work during their recovery. That could mean providing specialized work tools for employees who suffer from carpal tunnel syndrome, or providing visual aids for workers who have suffered a hearing loss.

"It's critical not only to their safety, but everybody's safety," Mr. Perry said.



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Business Insurance
INSIGHTS TODAY FOR THE RISKS OF TOMORROW

Specific: Find the right tasks for older employees

CONTINUED FROM PREVIOUS PAGE

NCCI Holdings Inc. shows that older workers—those ages 45 to 64—tend to suffer more rotator cuff and knee injuries than their younger counterparts, who suffer more back and ankle sprains.

That shows there is a need for employers to tailor specific loss prevention measures to fit employee demographics while ensuring that the job is an appropriate match for the individual performing the task, experts said.

"If there is a particular activity within an employer that is likely

to cause, or already caused, rotator cuff or knee injuries, and there are modifications that can be made, such as adjusting the weight load or movement," it is important to do so, said Chris Cunniff, senior vp and workers compensation product manager for Liberty Mutual in Boston.

One effective measure for matching workers to jobs is to ensure that supervisors are continually aware of how their workers are handling specific tasks and whether those tasks are causing injuries, sources said. That requires good communication

between managers and workers.

Employers need an "aging productively management plan," said Dr. John Howard, director of the National Institute for Occupational Safety and Health.

With an aging workforce, employers need to look at how to help their employees remain productive and orient work tasks so they are not "increasing the likelihood of having an injury that will put an older worker out for a while," Dr. Howard said.

In fact, some of the most important measures employers can take to ensure the health and productivity of their workforce is to understand that physical capacity decreases with age and understand how to match the abilities of workers with jobs, Dr. Howard said.

Perspectives

With years of experience, older workers can prove valuable mentors to their younger co-workers on safety issues, says Cynthia Roth, CEO and founder of Ergonomic Technologies Corp.

With age comes experience

By Cynthia Roth

There are many benefits to retaining older workers, and the No. 1 reason can be mentoring. Older employees who have great personalities, strong work ethics and company loyalty can be very significant in training younger employees, especially in safe working strategies.

Older workers often have a more responsible attitude toward safety, and they understand the need to wear all of the safety equipment the company offers its employees. They have learned through personal experience, watching co-workers become injured because they neglected to use their personal pro-

tective equipment.

As we age, our muscle strength diminishes but not our job requirements. Older employees continue to reach, bend, lift and carry, but they also have learned to use manual material handling equipment to take the load off of their bodies and transfer weights and forces to the equipment. They no longer view themselves as having "super" powers, as some of the younger employees might, and they can encourage younger colleagues to use all of the devices that make the jobs easier.

Our joints become a little achy because of the natural aging process and also from years of working, but the tasks are not necessarily changed. Employees continue to sit

for long hours working on computers or at quality stations, and the older employee can remind the younger ones to get up, take a break and stretch. Everyone benefits.

Older employees have learned how to work smarter, not harder, and can be used to help transfer this knowledge to the younger workforce.

But they also can use some help preventing their own injuries.

While older workers tend to be more experienced and therefore have fewer accidents and injuries than younger workers, when older workers are injured, their injuries are often more severe, and it usually takes them longer to return to work than younger workers. So they learn—they learn not to make the same mistake again, and they understand how an injury feels.

Evaluating job methodologies and reducing the risk factors will benefit the older as well as the younger workers. Offering more mechanization that assists the employee base will permit workers to stay at the job longer and improve their capabilities while limiting their exposures.

This is important because the U.S. workforce is aging and the percentage of older workers is increasing. Are your jobs and training programs keeping pace with changing needs?

Here are some key safety issues concerning older workers:

Ergonomics

If the jobs are designed correctly, employees of any age will be able to perform tasks without risking soft tissue injuries.

- Strains, sprains and repetitive motion injuries are common among older workers.

- Back injuries and chronic back conditions are of special concern among this age group as well as chronic shoulder conditions.

- Lifting and carrying heavy objects as well as performing other tasks that require a lot of exertion may become harder as muscle strength declines. This may require adjustments in the way older workers approach these tasks.

Slips, trips and falls

- Falls from the same level account for a significant number of

work-related injuries suffered by older workers.

- Falls on stairs and from ladders are another risk common to older workers.

- Falls account for one-third of all injuries sustained by workers aged 65 and over.

- Younger workers might move faster to complete the tasks and ignore the warnings.

Vision and hearing

- Vision and hearing often decline with age, making it harder for older workers to use these senses to protect their safety on the job.

Older workers can remind younger workers to wear their appropriate personal protection equipment. And remember office workers who wear bifocals or trifocals need to have their workstations adjusted to meet their visual needs.

- Poor vision could lead to mistakes and accidents.

- An employee who does not hear well might miss critical safety instructions or fail to hear a co-worker's hazard warning.

Cynthia Roth is CEO and founder of Syosset, N.Y.-based Ergonomic Technologies Corp., which specializes in workplace and product assessment to reduce injuries, lower operating costs and increase productivity. She also is chair of the American Society for Safety Engineers' Foundation. She can be reached at 516-682-8558 ext. 21 or croth@ergoworld.com.



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Perspectives

With the proportion of workers in the United States over age 55 increasing, employers need to embrace strategies that keep their most loyal, skilled and experienced employees working safely and productively, say Glenn Pransky, Christopher Cunniff and David Deitz of Liberty Mutual.

Data shows need for new approach

By Glenn Pransky,
Christopher Cunniff
and David Deitz

The age distribution of the American workforce is changing, an inevitable demographic shift that is impacting insurance buyers and their brokers.

In 2008, there were 28 million workers over age 55. By 2016, that number is expected to be almost 40 million, an increase of 43%. While some of the change was expected due to the aging of the baby boomer population, the recent decline in home asset values and low returns on 401(k)s are increasingly causing some older workers to postpone retirement.

Smart employers are embracing the aging population. They are pleased to see their most loyal, skilled and experienced employ-

ees continuing to make significant contributions.

To best harness the value of their mature workers, companies are increasingly taking steps to keep older workers healthy on the job, prevent workplace injuries, and speed return-to-work times after injuries.

Is your company optimizing the productivity of your graying workforce and taking the right steps to control workers compensation costs? A recent NCCI Holdings Inc. study, "Workers Compensation and the Aging Workforce," helps to shed some light on the issue. We have captured five key findings from the study, and also have developed five key action steps for your company.

Key findings

- While older workers still have the fewest work-related injuries, all age groups have bene-

fitted tremendously from safety initiatives. In 1994, the annual injury rate for workers ages 20-24 was 300 incidents per 10,000 workers. By 2009, that injury rate had dropped to 97 per 10,000 workers. Over the same 1994-2007 time period, workers ages 45-64 also saw substantial safety improvements. The injury rate for the 45+ workers dropped to 93 incidents per 10,000 workers from 200 incidents per 10,000 workers. Clearly, workplace safety improvements—often resulting from collaborations among policyholders, brokers, agents and insurers—are paying tremendous dividends. Unfortunately, these frequency improvements are being offset by significant severity increases, in particular medical severity increases.

- When factoring in frequency and severity, all age groups between 35 and 64 have similar workers compensation costs per worker. Workers 35 and older tend to have higher loss severities, but once workers hit age 35, differences in indemnity and medical severities across the 35-64 age spectrum become muted. This is reassuring news for employers as they see an increasing number of employees in the 55 and older age category.

- A key contributor to the higher indemnity severity for older workers is the higher average wages paid these higher skilled and more experienced employees.

Older employees face different types of injuries compared with younger workers. Older workers tend to have more rotator cuff and knee injuries, while younger workers face more back and ankle sprains. The injury mix is a key driver of the higher severity that insurers see on claims from older workers.

- Along with different injuries types, older workers tend to require more treatments per claim, even after adjusting for the mix of injury types.

- While not covered by the NCCI study, co-morbidity likely plays a role in the longer treatment times seen by some older workers.



Dr. Pransky



Mr. Cunniff



Dr. Deitz

Is your company optimizing the productivity of your graying workforce and taking the right steps to control workers compensation costs?

Employees who are good workers but are already having problems due to their health can benefit from job accommodations or, if those aren't feasible, moving to another job or changing their position so they can safely perform the work. It's best to do this before a disability has occurred.

- Create a workplace environment that encourages healthy discussion about early signs of injury. If workers feel comfortable discussing aches and pains immediately, supervisors can make workplace adjustments and prevent expensive injuries from developing.

- Modify jobs to respond to some of the changes that occur with age, based on individual worker input. This might include decreasing the amount of handling of very heavy loads and improving lighting conditions.

- Include components in your wellness programs that specifically address the concerns of older workers. Certain health risk factors such as smoking and obesity have a strong correlation with workplace injury rates and longer return-to-work times.

- Promote supervisor and co-worker engagement with injured workers. Communication with workers on disability leave has been shown to significantly improve return-to-work outcomes. You may also need to modify your return-to-work plans for the prolonged rehabilitation that some injuries may require in older workers.

When you're able to apply and integrate the data on aging workers, everyone benefits. Aging workers can get back to work sooner and remain productive longer, and employers keep that talent and experience for years to come.

Dr. Glenn Pransky is director of the Center for Disability Research of the Liberty Mutual Insurance Research Institute for Safety. Christopher Cunniff is a senior vp and workers compensation product manager in Liberty Mutual Insurance Co.'s commercial markets strategic business unit. Dr. David Deitz is vp and national medical director at Liberty Mutual Insurance's commercial markets unit.

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Hospital system works to keep older nurses

Safety efforts focus on minimizing common injuries

By LOUISE ESOLA

In a time marred by a nursing shortage—and under a cloud of statistics that say some of the most experienced health care workers are aging and headed for retirement—giving attention to keeping older caregivers on the job is becoming paramount.

Hospitals “are concerned about losing this more experienced staff,” said Janice Homola, a Lansing, Mich.-based senior loss prevention consultant with Coverys, a medical professional liability insurance provider. Older nurses “leave the field because of the physical demands; we hear that a lot. Meanwhile, hospitals realize the value of these employees.”

Older nurses have essential experience and knowledge and are instrumental in passing those on to their younger, more inexperienced counterparts, experts say.

It’s why savvy employers such as Scripps Health, one of Southern California’s largest hospital systems, has spent the past decade implementing sweeping risk management strategies to help increase workplace safety and awareness for workers over age 50.

“We focus on taking care of all of our employees,” said Bob Melendy, Scripps’ human capital services executive. “With all of our workers, we really stress the importance of knowing your limitations on what you can and can’t do. Older workers are best when it comes to this.”

San Diego-based Scripps, which snagged AARP’s top spot in its annual Best Employers for Workers Over 50 in 2011 listing, employs 3,025 registered nurses, 30.2% of whom are age 50 or older. The average age is 44, a figure that has been climbing year after year, according to Mr. Melendy.

The figures are in line with national statistics that place one-third of registered nurses over age 50. According to the 2008 National Sample Survey of Registered

Nurses, released in September 2010 by the Department of Health and Human Services’ Division of Nursing, the average age of a registered nurse in 2008 was 46, up from 45.2 in 2000.

While the AARP’s award focused on the overall picture for workers over age 50, applauding everything from a top-notch retirement plan to health insurance offerings, Mr. Melendy said Scripps’ evolving view on workplace safety and new measures put in place to ensure safety have made the hospital system a good

fit for older workers.

According to Ms. Homola, the most common injuries for nurses stem from lifting heavy patients and slips and falls. Scripps has zeroed in on those occurrences as a way to quell injuries and keep older workers on the job.

Among the most lauded changes at Scripps is the addition of “lift teams,” a group trained specifically in the skill of repositioning and lifting patients. Mr. Melendy said a nurse who has to move a patient has the option of calling on a lift team to reposition

a patient rather than attempting to move a patient on his or her own. The hospital also provides special apparatus to help move patients, relieving the strain on nurses.

Since implementing lift teams in 2002, the hospital has seen a dip in injuries related to moving patients.

The goal has been to keep the expertise of the older, valued nurses on the line while eliminating some of the more physical demands of being a caregiver, he said.

“We focus training around knowing what you can and can’t

BY THE NUMBERS

- Scripps Health employs 3,025 registered nurses
- 30.2% of Scripps’ registered nurses are age 50 or older
- Average age is 44

do,” said Mr. Melendy. “Training is knowing your limitations and knowing when to call for help,” he said. “Employees get hurt when they decide to move a patient because it’s quicker than

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Energy firm harnesses experienced workers

By LOUISE ESOLA

Duke Energy Corp., an American energy powerhouse providing electricity and gas to 4.5 million households nationwide, has spent the past three decades implementing changes to the way its line technicians work.

The Charlotte, N.C.-based employer says it wants to keep its workers on the job, a majority of whom are aging yet irreplaceable.

Since the early 1990s, Duke Energy has introduced new equipment to make it easier for workers to haul 40 to 60 pounds of apparatus, has provided battery-

and hydraulic-powered shears to cut thick wires, has enforced the use of new straps to keep workers in place while toiling away on tall electrical

poles to avoid treacherous falls, and has invited workers to participate in a pre-shift, early morning stretching workout to help ready their muscles for labor and to avoid strains and sprains.

These are among the overhauls put in place since 1992 to help keep all workers safe and avoid injuries, and—as a lauded side effect—keep its cadre of older, more experienced and highly valued line technicians on the job, according to Duke Energy safety experts.

In recent years, the focus has been on aging workers, those experts say.

The average age of a Duke Ener-

gy line worker is 50 and, according to training manager Joel Lunsford, it takes eight years to adequately train one of them from the day they are hired.

“We value the more experienced workers,” he said. “They have the knowledge base, they have the maturity, and we need them to mentor the younger people.”

“The things you learn over a long career are invaluable,” said Dee Putnam, a senior health and safety specialist who started working on the line at Duke Energy when he was 19 years old. The 61-year-old added: “The older workers watch and teach; they are like fathers to those with less experience.”

Duke Energy employs 18,400 workers in its offices and in the field nationwide. Of them, 4,500 work in a division known as “power delivery”—the teams of line technicians known to perform some of the most dangerous, physically demanding jobs. The teams, disbursed in regions across the country, are responsible for building and maintaining electrical distribution systems, handling everything from high-tension, high-voltage wires to equipment that can weigh up to 60 pounds.

Lifting and climbing is part of the job, as is extensive technical knowledge.

The younger workers “are young and strong and can do a

CASE STUDY

BUILDING A SAFER WORKPLACE

Some overhauls put in place since 1992 to help keep Duke Energy Corp. workers safe and avoid injuries:

- Introduction of new equipment to make it easier for workers to haul 40 to 60 pounds of apparatus
- Use of battery- and hydraulic-powered shears to cut thick wires
- Enforcement of use of new straps to keep workers in place while working on tall electrical poles to avoid treacherous falls
- Invitation to workers to participate in a pre-shift, early morning stretching workout to help ready muscles for labor and to avoid strains and sprains

lot, but it’s the older line workers who keep them safe on the job,” said Mr. Putnam.

It’s in that particular segment of the business where Duke Energy has zeroed in on safety by introducing new machines and mechanisms for doing business. It’s the newest mainstay, however, that’s getting the most attention: a 15-minute stretching routine for workers starting their shifts.

The stretching program is tied to research that suggests stretching can help eliminate or reduce musculoskeletal injuries. A presentation on the program by Duke Energy reveals that it started the program in 2008 after finding that 35% of its injuries stemmed from soft-tissue damage.

Mr. Putnam, who helped introduce the program, said he and other safety experts anticipated a hard sell at first.

“We heard (workers) saying

they didn’t want to see leotards and yoga mats,” he said. “We thought there was going to be a lot of resistance, but once it started people started saying they wished we started doing this 20 years ago.”

The 15-minute routine was developed by an outside exercise firm and has been altered since 2008 to add variety. Most of the routine is focused on moves that are work-related, warming up muscles line workers use throughout their workday, said James Gartland, principal health and safety specialist.

It’s now in place throughout Duke’s East Coast and Midwest offices and will continue to become a part of the company’s culture of safety, according to Mr. Putnam.

Overall, that culture now includes the use of ergonomics in the workplace and tools that call for less muscle strength. For example, Duke has moved away from using manual wire-cutting tools that are similar to hedge clippers.

For the most part, “we switched to battery-powered and hydraulics, which calls for less brute force,” said Mr. Gartland.

In 1992, Duke targeted the fall risk for workers who had to climb to the top of electrical poles. Such devices as positioning belts and “buck squeezes” that now keep workers from falling are well on their way to becoming an industry standard, said Mr. Putnam, adding that what was once a dangerous task is now much safer. “We have people who say they don’t mind climbing up there now,” he added. “Gradually, we’ve been working to be a zero-injury workplace.”

David Miller, director of field support for Duke Energy, said the “journey of protecting the worker” is always a work in progress. “We’re never where we want to be... (but) we’re relentless in our goal of achieving zero injuries.”

Scripps: Retaining nurses

CONTINUED FROM PREVIOUS PAGE

waiting for help or getting the right equipment.”

Ironically, some experts believe it’s the younger nurses who tend to get hurt more often in hospitals, as older workers know when to get help and realize it might take them longer to heal from an injury.

Another strategy at Scripps is the deployment of workplace empowerment teams known as “WE teams.” The teams, created two years ago, are made up of nurses who care for patients and spend part of their day evaluating procedures and the placement of equipment, always on the lookout for ways to do things better and safer, according to Mr. Melendy.

“In a high-injury area, we have seen a reduction of 95% of injuries

with the use of the WE teams,” he said. “Their job is to look at the way we do things and to come up with safer ways to do them.”

The teams eliminate some of the red tape needed to make changes, thus empowering management. A side effect is that workers are constantly looking at safety, Mr. Melendy said. “The workers are thinking about safety in all that they do; it’s becoming a part of their job.”

Ms. Homola said the slight move from 100% concern for patients to an added concern for caregivers is somewhat of a paradigm shift in hospitals—“a necessary one.”

“The health and safety of the caregiver is integral to the outcome for the patients,” she said. “It becomes good business to make these changes for all workers.”

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inBrief

Commercial P/C rates increase 3% in March

Commercial property/casualty insurance rates increased an average of 3% in March compared with a year earlier, MarketScout reported. According to the electronic insurance exchange, workers compensation and commercial property experienced the greatest rate increases at 4% each. No line of insurance tracked by MarketScout reported a rate decrease, although rates for fiduciary and crime insurance remained flat compared with those of a year earlier.

Reinsurance rates vary at April 1 renewals

Prices at April 1 reinsurance renewals varied widely according to geography and line of business, according to a report by Guy Carpenter & Co. L.L.C., the reinsurance brokerage unit of Marsh and McLennan Cos. Inc. Prices rose throughout the Asia-Pacific region in response to the series of natural catastrophe losses sustained in the area during 2011, according to the report. In Japan, earthquake excess of loss cover rose 10% to 40%, and per-risk excess of loss cover rose 15% to 100%.

Hartford CEO refuses year-end bonus

The Hartford Financial Services Group Inc.'s chairman, president and CEO, Liam McGee, has requested that he receive no year-end bonus, according to a filing with the U.S. Securities & Exchange Commission. "The independent directors determined that Mr. McGee would have otherwise received an incentive award, but they honored Mr. McGee's request and awarded no cash bonus," according to the filing, which did not provide further details.

EPLI rates up 11.6% in 2011 fourth quarter

High loss frequency among employers with fewer than 1,000 workers drove up the overall cost of employment practices liability insurance premiums by an average

of 11.6% for 2011's fourth quarter compared with the year-ago period, according to an Aon Corp. market update. Because of smaller employers' lower deductibles, "those insurers that either focused on, or entirely write" EPLI business for employers with under 1,000 employees "were showing significant increases in frequency of claims almost immediately," which turned into losses for them, said Aon Managing Director Tom Hams. The insurers responded by increasing rates for these accounts, Mr. Hams said.

Vermont tweaks captive regulations

Vermont Gov. Peter Shumlin last week signed into law a bill making minor "housekeeping" changes to Vermont's captive law. Among other things, the measure allows mutual corporations and nonprofit corporations to incorporate protected cells, modifying legislation passed last year that allowed the formation of incorporated protected cells in sponsored captives but limited such incorporated cells to corporations or limited liability companies. The new law also allows captives to meet minimum capital and surplus requirements through the creation of a trust approved by the commissioner of Vermont's Department of Banking, Insurance, Securities and Health Care Administration. The law also streamlines reporting requirements for association captives and allows Vermont risk retention groups to reinsure with Vermont-sponsored captive insurance companies.

Oregon becomes newest U.S. captive domicile

Oregon Gov. John Kitzhaber last week signed into law a measure making the state the latest U.S. captive insurance domicile. The law allows the formation of single-parent captives, association captives, branch captives and captive reinsurers in Oregon. It also allows the director of the state's Department of Consumer and Business Services to require that any captive maintain higher capital and surplus levels if deemed necessary. In place of premium taxes, the law requires captives to pay a \$5,000 annual fee and permits the Department of Consumer and Business Services to raise the fee by rule or scale the fee on the basis of captives' annual premiums. The new law requires that the state examine Oregon captives every three years, and that



BLOOMBERG

Below-average Atlantic hurricane season forecast

This year's Atlantic basin hurricane activity should be below the 1981-2010 average, according to a prediction issued last week by the Tropical Meteorology Project at Colorado State University. The Colorado State team said the combination of a cool tropical Atlantic and the potential development of El Niño led them to predict somewhat below-

average hurricane activity this year. The team expects 10 named storms to form in the Atlantic basin this year, compared with an average of 12 during the 1981-2010 period. Only four of those storms are expected to grow into hurricanes, compared with an average of 6.5 during the 1981-2010 period.

The team predicts two of the

hurricanes will grow into major hurricanes, packing sustained winds of at least 111 mph, the same as the average for the 1981-2010 period. The team also said there is a 42% probability that a major hurricane will make landfall somewhere along the U.S. coastline this year, compared with an average of 52% for the past century.

captives licensed in Oregon hold at least one board meeting per year in the state. The Oregon domicile becomes operational July 1.

Pension plan funding rebounds in March

Pension plan funding among some of the nation's largest companies continued to rebound in March, according to reports. Pension plans sponsored by S&P 1500 companies saw their aggregate deficit fall to \$336 billion, a 30.4% decrease from the 2011 year-end aggregate, Mercer L.L.C. said. The drop corresponds to a rise in the plans' aggregate funded ratio, to 82% for the month of March 2012, from 79% in the previous month. Milliman Inc. also released an analysis saying funding levels of pension plans sponsored by large publicly held U.S. employers rose sharply in March due to rising interest rates that fueled a sharp drop in plan liabilities. Defined benefit plans offered by the 100

U.S. employers with the largest pension programs were an average of 85.1% funded as of March 31, up from 82% at the end of February and 81.1% at the end of January. In all, plan liabilities fell to \$1.526 trillion at the end of March, a \$54 billion decline compared with the end of February. The market value of plan assets rose by \$4 billion to \$1.299 trillion.

Calif. work comp bureau seeks midyear rate hike

The Workers' Compensation Insurance Rating Bureau of California said it will seek a midyear increase in workers comp advisory rates in the state. The San Francisco-based WCIRB said it will ask this month for an average pure premium rate of \$2.51 per \$100 of payroll. That's up 7.7% from a rate of \$2.33 per \$100 of payroll in WCIRB's Jan. 1 rate filing. California Insurance Commissioner Dave Jones approved an advisory pure premium rate filing of \$2.30 per

\$100 of employer payroll in November.

Ill. comp bill could change awards

A bill introduced in the Illinois House could change how workers compensation awards are computed for employees who already have received benefits for previous injuries. It would deduct prior partial disability calculations from benefits to be paid for subsequent injuries, so long as the new injury occurs in the same portion of the body. The bill has been sent to the House rules committee. The Illinois Senate also is moving forward with a separate bill that attempts to reduce comp costs. It would explicitly exclude injuries arising from unknown causes from workers comp, and require employees to participate in an employer's preferred provider program for workers comp physicians.



I HAD A DATA BREACH - WHAT DO I DO - AND WHO CAN HELP?

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Lawmakers scuffle over work comp bill

A 68-year-old Mississippi House of Representatives member says he “got one lick in” before colleagues stopped his attempts to punch a fellow Democratic lawmaker during a scuffle over workers compensation legislation.

The clash reportedly came after three Democrats, including Rep. Bennett Malone, D-Carthage, changed their votes on S.B. 2576.

The employer- and Republican-supported bill would amend Mississippi’s workers comp law, making it more difficult for employees to establish that an injury or death is work-related while simultaneously increasing certain benefit amounts.

After the 60-56 vote favoring the bill, Rep. Bob Evans, D-Monticello, reportedly saw Rep. Malone near a statehouse elevator and implied Rep. Malone would gain campaign contributions for switching his vote in favor of the bill.

According to news reports, Rep. Malone claims his colleague loudly called him a “no good piece of sh—” in front of a crowd.

“When he said that, emotions got out of hand and I went after him,” Rep. Malone reportedly said.

But other reports say Rep. Malone never connected and that he also punched a senator in the back of the head in a 2000 dispute over another bill.

As for S.B. 2576, it goes back to the Mississippi Senate to reconcile House changes.



AP PHOTO

Mississippi Rep. Bennett Malone reportedly got into a scuffle over a workers comp bill.

CONTRIBUTING: Roberto Cenicerros, Matt Dunning, Mark A. Hofmann

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Singer ‘Weird Al’ Yankovic’s company claims Sony Corp. owes millions of dollars.

AP PHOTO

‘Weird Al’ gets serious

“Weird Al” Yankovic is famous for making people laugh with his parodies of hit songs, but his company finds nothing funny about what it regards as unfair business dealings by Sony Corp.

In fact, Ear Booker Enterprises Inc. is so unamused that it has filed suit against Sony in federal court in New York, according to numerous reports.

Ear Booker holds that Sony incorrectly reported the amount of the performer’s products sold, resulting in a lower payout to the company. Ear Booker also alleges that it is owed \$2.5 million from

Google’s purchase of Sony’s YouTube stock shares six years ago. According to Ear Booker, it deserves part of the earnings because Weird Al’s videos were popular on the website when the sale occurred.

Ear Booker holds that Sony allegedly breached its implied duty of good faith and fair dealing. According to published reports, the suit seeks more than \$5 million in total. For Weird Al, that is apparently no laughing matter at all.

Sony could not be reached immediately for comment.



Sobering suit for reality show

The producers of a jail-based reality TV show are finding out that not everyone is looking for their 15 minutes of fame.

A Las Vegas woman has filed suit against the producers of “Inside American Jail” after she was featured on an episode of the show in an “extremely intoxicated” state, according to a Las Vegas Sun report.

According to the Sun, Lenette Beall was arrested on April 10, 2010, for suspicion of driving while drunk and taken to a Clark County, Nev., jail. It was there, according to Ms. Beall’s lawsuit, that she was humiliated by members of the Clark County Sheriff’s Department.

In her suit, filed March 30 in the U.S. District Court of Nevada in Las Vegas, Ms. Beall claims she was too drunk to remember signing a waiver permitting the show’s crew to film her, and that her condition at the time legally precluded her entering into any kind of contract or formal agreement.

Since the episode’s April 2010 airing, Ms. Beall claimed she has been “the subject of an avalanche of ridicule, scorn and unwanted recognition for the way she was portrayed on ‘Inside American Jail,’” according to her complaint.

Ms. Beall accuses the Sheriff’s Department of ignoring her constitutional rights, in part because the show’s producers, Los Angeles-based Langley Productions Inc., contributed significant funding to Sheriff Douglas Gillespie’s 2010 re-election campaign.

In addition to the producers, Ms. Beall’s complaint names Mr. Gillespie and at least two unnamed members of the Sheriff’s Department, Atlanta-based Turner Broadcasting Systems Inc., which owns the network that airs “Inside American Jail,” and the Las Vegas Metropolitan Police Department as defendants.

FOUR LEGS BAD FOR DRIVERS, AUTO INSURERS

Upholstery-munching mice, bothersome bugs and roving gangs of malcontent peacocks were the unlikely culprits highlighted in a Welsh automobile insurer’s roundup of the 12 most bizarre damage claims it has received in the past two years.

One policyholder reported a car had been destroyed by a nest of mice that had gnawed their way into the vehicle’s upholstery, Cardiff, Wales-based Admiral Group P.L.C. said in a recent statement. Another driver claimed he was being pestered by a fly when he slammed his car into a telephone pole.

Curiously, the company noted, one-quarter of its 12 strangest insurance claims were caused by peacocks. One car was gouged by a peacock picking a fight with its own reflection, while another was damaged by a fugitive band of peacocks that escaped from a neighboring garden.

“Although amusing to read about now, any incident is distressing for those involved and our handlers are trained

to be understanding and professional,” Admiral Managing Director Dave Halliday said in a statement from the insurer. “However, it goes to show car insurance is not always as dull as you may think.”

Most of the auto damage claims the company detailed involved animals in some way, from a stampeding miniature pony that escaped from a local fair, to a motorist so overwhelmed with the urge to lean over and pet his dog that he forgot he was driving.

“From territorial peacocks, creepy crawlies and cute puppies, it seems it’s not just other road users motorists should be aware of,” Mr. Halliday said. “These unusual incidents illustrate how important it is to remain focused on the road ahead at all times and not to get distracted by animals whether they’re inside or outside your vehicle.”



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