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ATTORNEYS AND COUNSELORS

DALLAS & AUSTIN



Speaker:

Stuart Colburn

4425 S. MoPac

Bld. III, Suite 500

Austin, TX 78735

scolburn@downsstanford.com

www.downsstanford.com



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Age

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“Age is simply an issue of mind over matter; if you don’t mind, it doesn’t matter.”

(Satchel Paige)



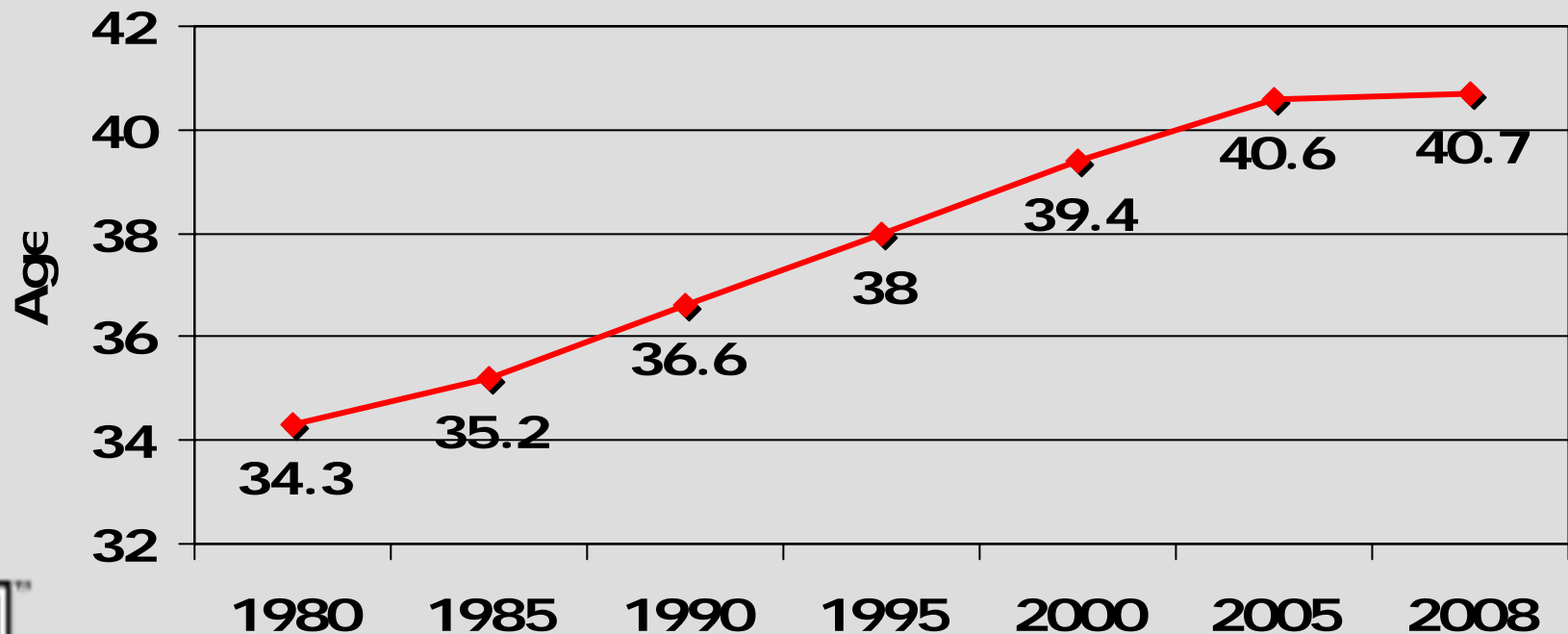
Aging Workforce

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Median Age Of American Worker



Age

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“How old
would you be
if you did not
know how
old you are.”

(Satchel Paige)



Why is our workforce aging?

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- Living longer
- Less physically demanding jobs
- Economy
- Shift from defined benefit to defined contribution pension plans



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“Don’t look
back.
Something
might be
gaining on
you.”

(Satchel Paige)

THE CENTER FOR CARTOON STUDIES PRESENTS

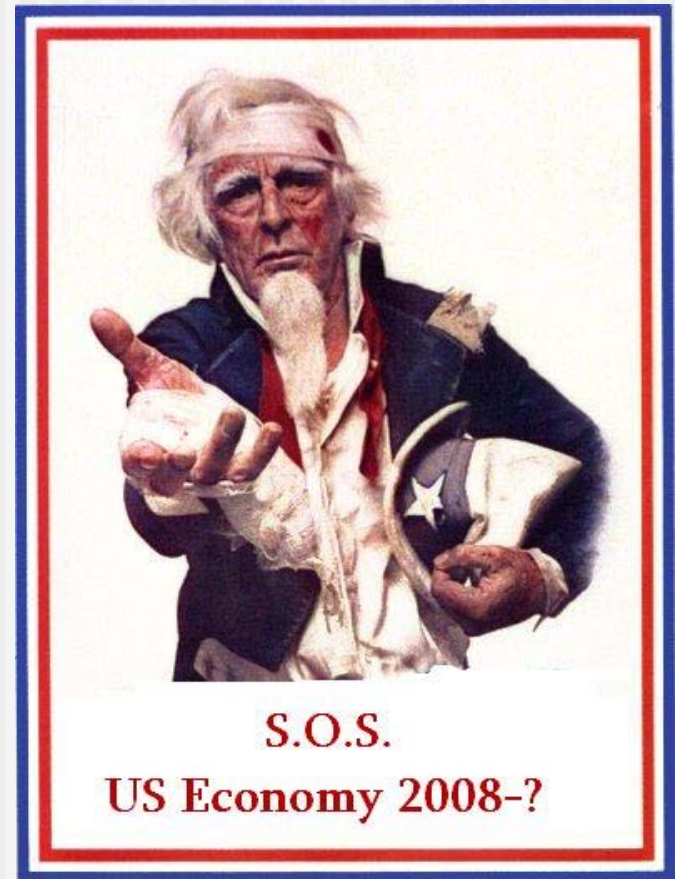
Satchel
PAIGE
Striking Out Jim Crow



Economic Effects

Oct '07 – Mar '09

- S&P 500 down 51%
- Home Values down 27%



Age

"Age to me means nothing. I can't get old; I'm working. I was old when I was twenty-one and out of work. As long as you're working, you stay young."

(George Burns)



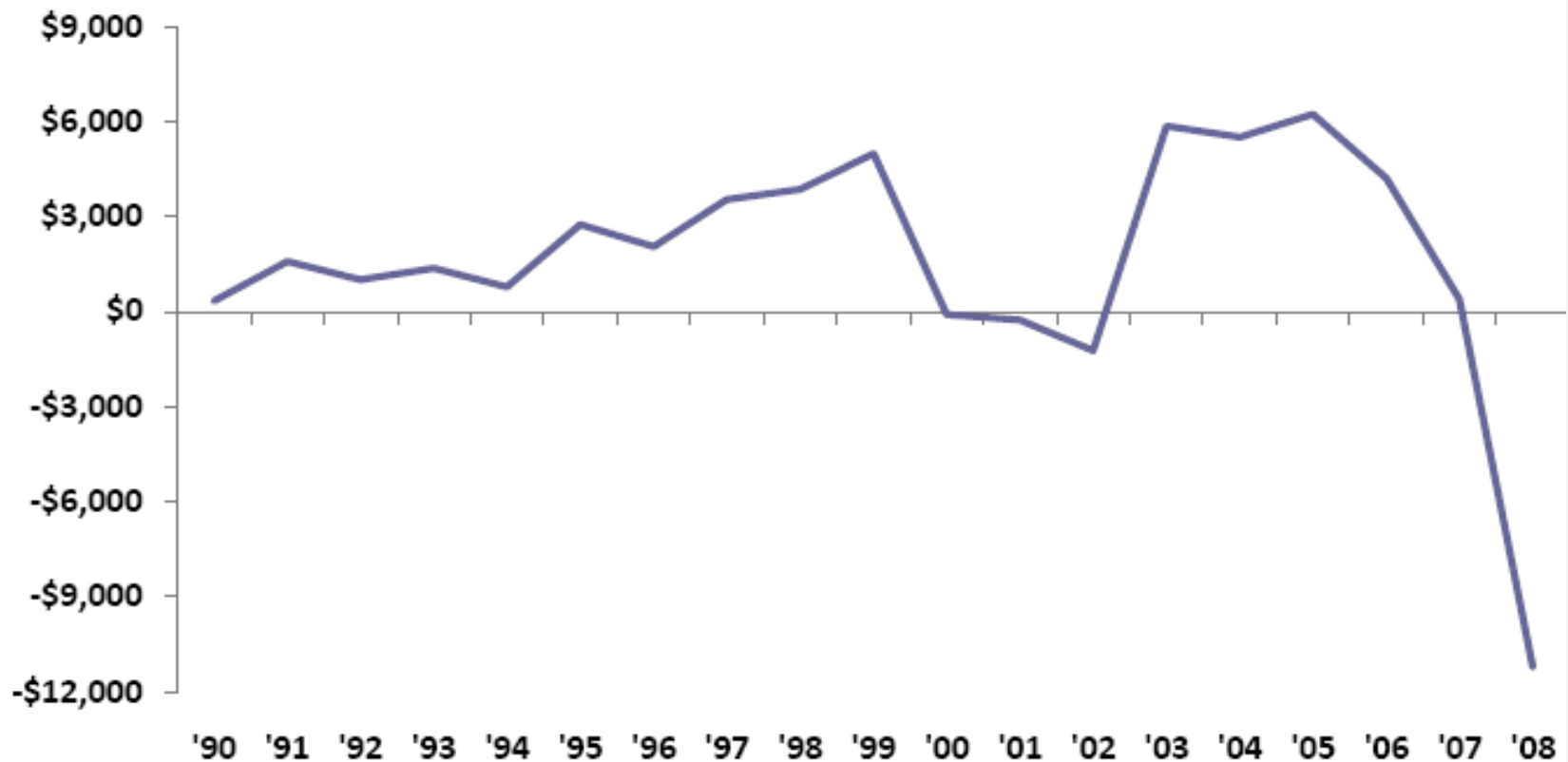
Recent Economic Developments

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Change in Household Net Worth
4th Quarter Outstandings vs. Same Year-Ago Period, Billions of Dollars



Source: Federal Reserve Board; data includes households and nonprofit organizations

Incident Rate (per 10,000 FTE)

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AGE

RATE

20 – 24

134.4

65 and older

96.2



Ratio of Injuries to Covered Employment

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RATIO

20 – 24

10%
(highest)

65 and older

2.2%
(lowest)



Less Frequency

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- Safer occupations
- Less manufacturing/construction
- More in hospitality and service

(Source: NCCI 2010)



“The proportion of workplace injuries and illnesses from Medicare eligible workers is 20% below their proportion to the workforce.”

(Source: US BLS 2007)



Comparison

Under 65 v. Older than 65

- Similar mean indemnity costs (12K)
- Similar mean medical costs (3K)

(Source: NCCI 2010)



Age & Indemnity

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- Lower AWW
- Off work longer
- Less severity



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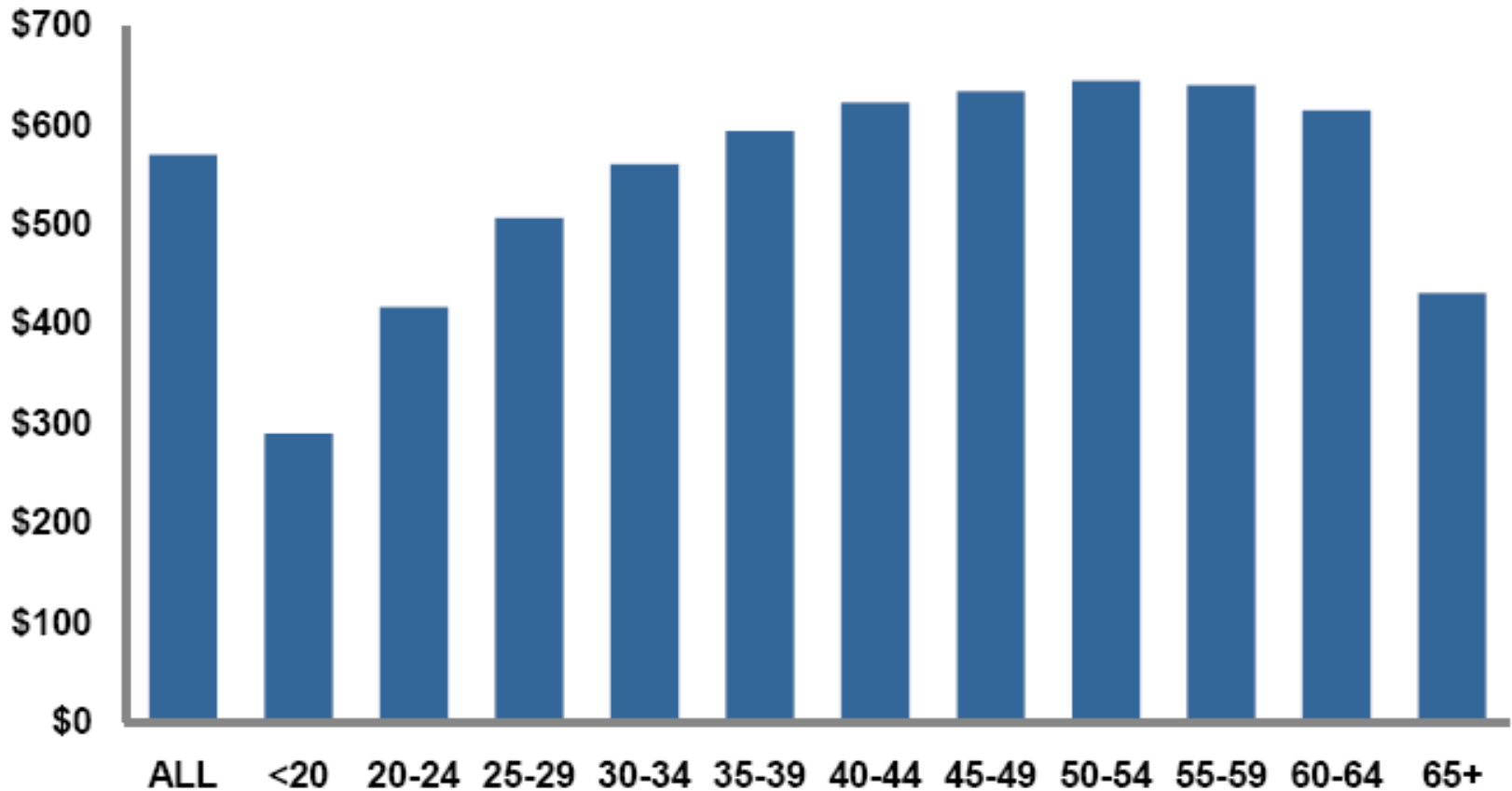


Pre-Injury Average Weekly Wage, Average, 2000-2006 (NCCI)

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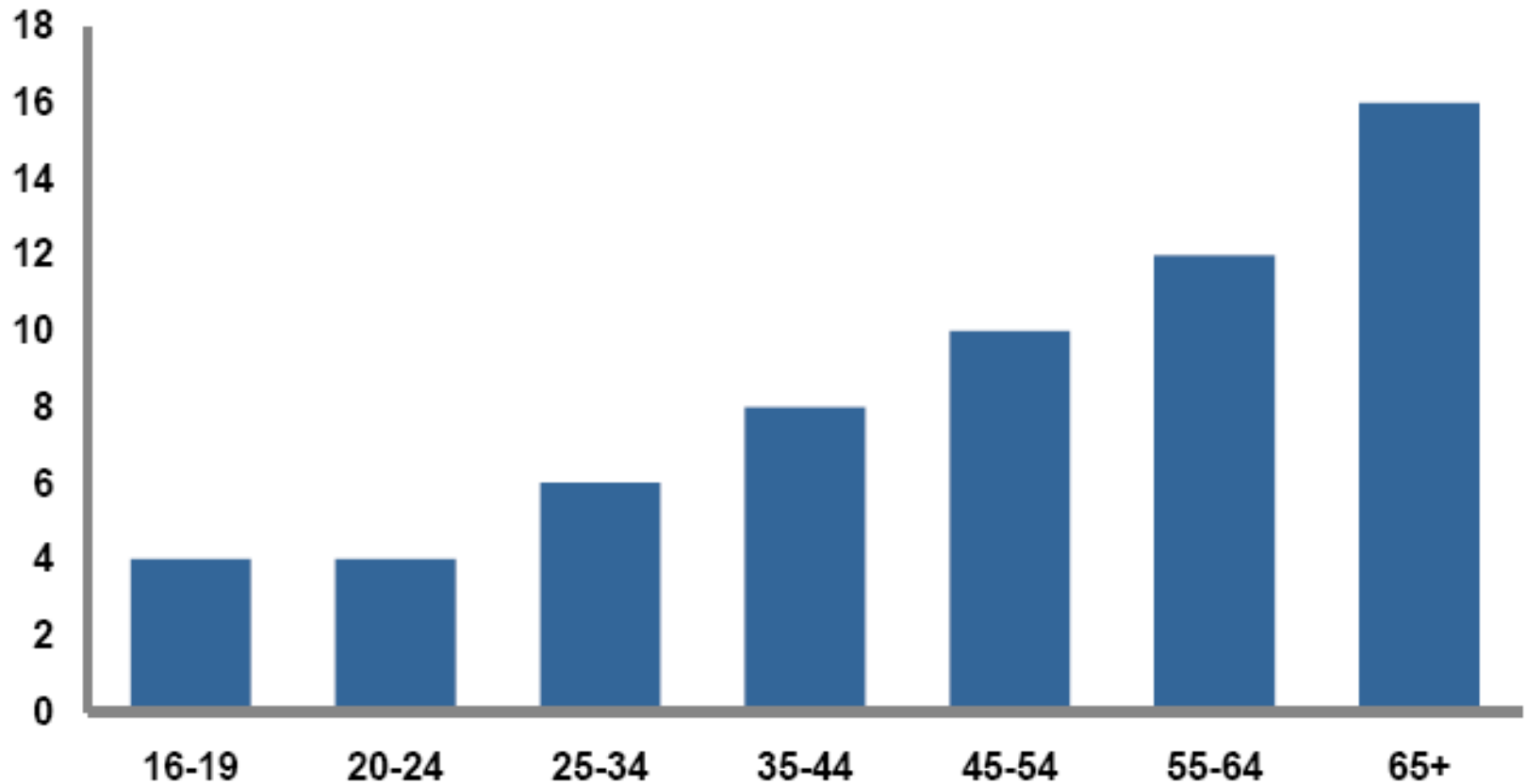
Source: NCCI

Median Days Away From Work by Age of Worker, 2007 (BLS)

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Source: US Bureau of Labor Statistics

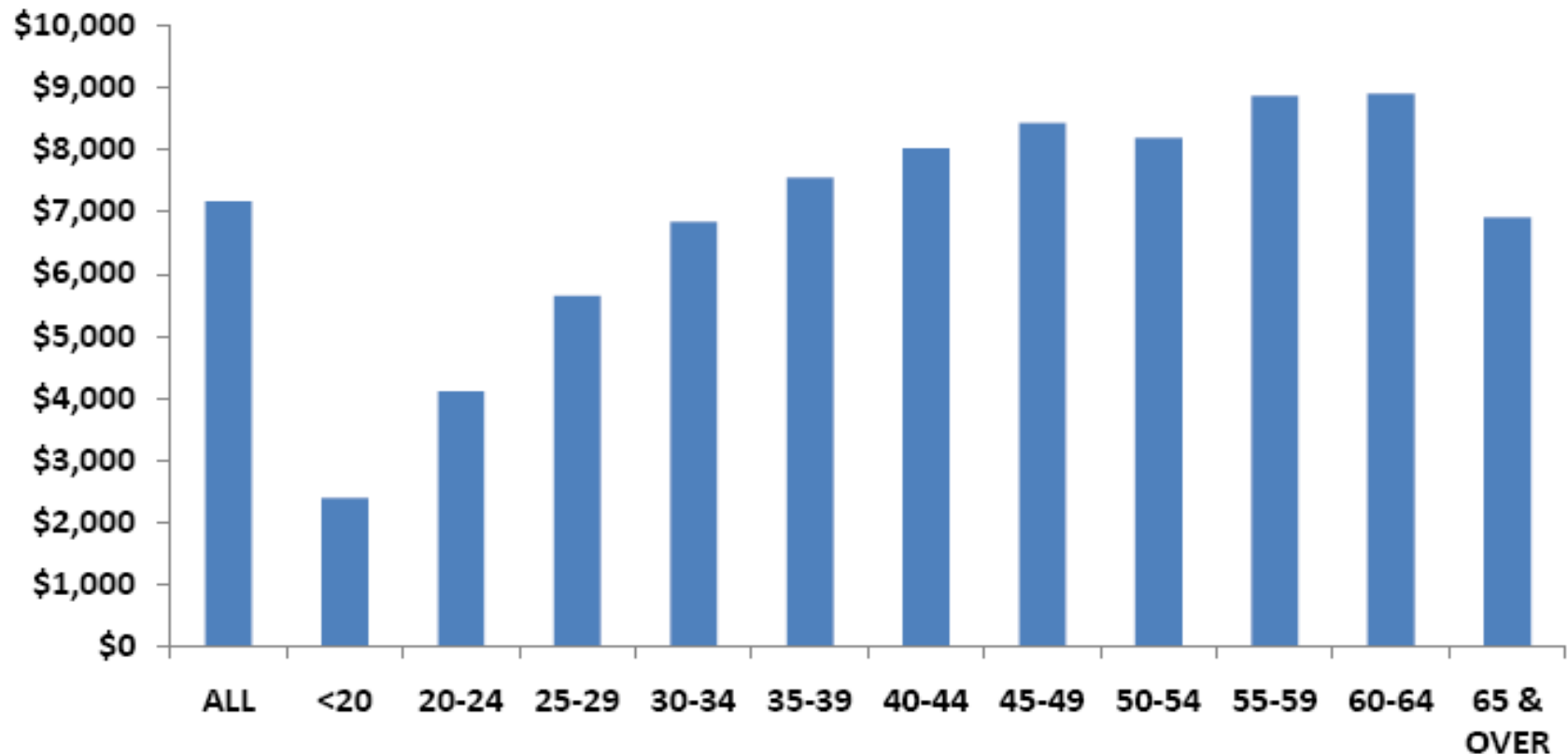
Indemnity Severity

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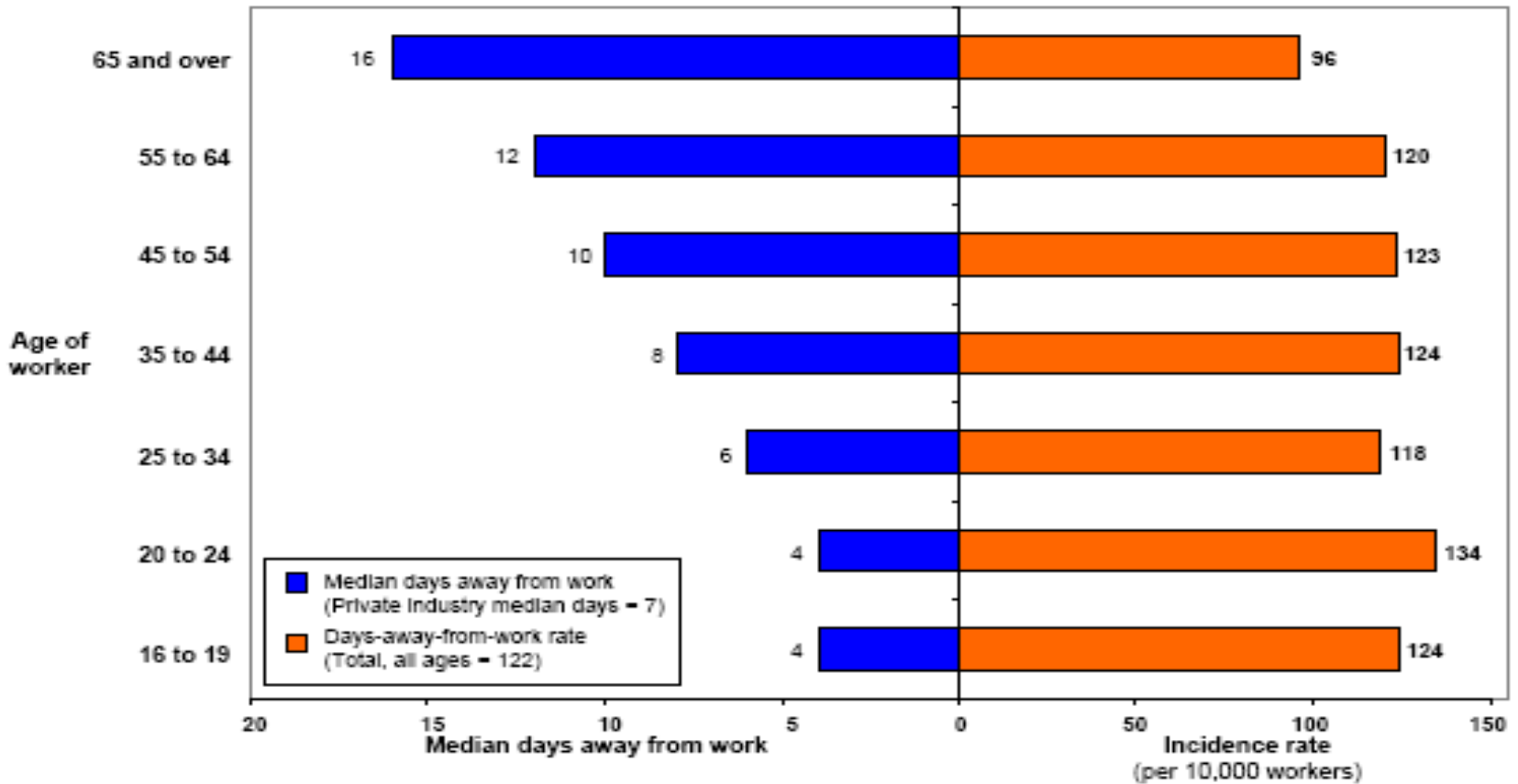
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Average Indemnity Paid per Claim
Based on Total Claims and Indemnity Payments in 2000–2006, Not Adjusted
for Inflation (NCCI)



Source: NCCI

Median days away from work due to injuries and illnesses and incidence rate by age of worker, 2007



Median days away from work is a key measure of severity of injuries and illnesses. Injuries and illnesses become more severe as age increases, requiring 4 days away from work for workers aged 16 to 24 to 16 days for those workers 65 years old and older.

Source: Bureau of Labor Statistics, U.S. Department of Labor, Survey of Occupational Injuries and Illnesses, cases involving days away from work.

Champions

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“Champions aren't made in gyms. Champions are made from something they have deep inside them - a desire, a dream, a vision. They have to have the skill, and the will. But the will must be stronger than the skill.”

Muhammad Ali [Cassius Clay]

(b. 1942); athlete, boxer



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Older Champions

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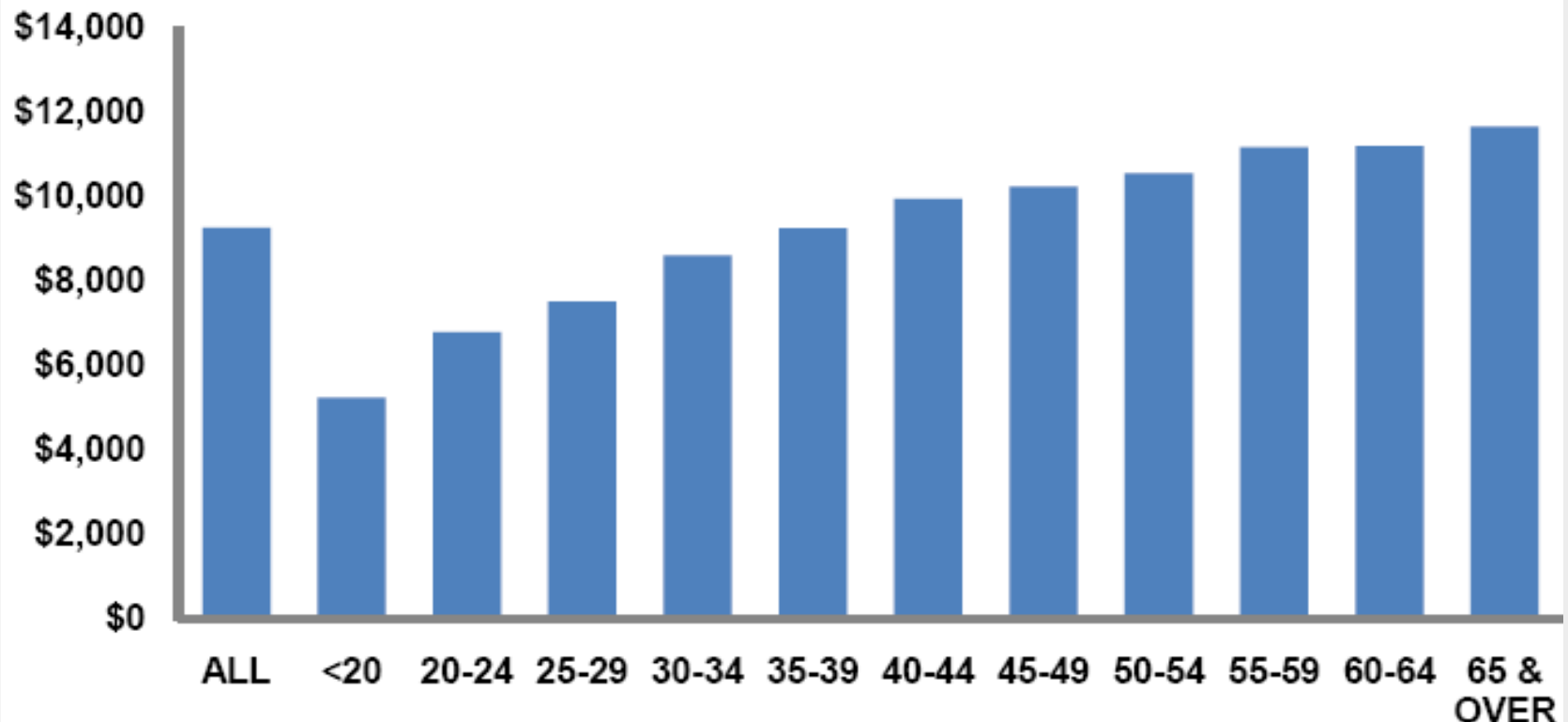
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- More likely to injure their hip
- Less likely to injure their back
- Twice as likely to fracture a bone
- Half as likely to sprain/strain
- Twice as likely to be injured in a fall



Medical Severity

Average Medical Paid per Claim
 Based on Total Claims and Medical Payments in 2000–2006, Not
 Adjusted for Inflation (NCCI)



Older Workers

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- Less likely to sustain an injury, but . . .
- Off work twice as long
- Greater medical severity
- Claimants over 45 cost over twice as much as those younger than 25
- What employers can do



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“Do not let what you cannot do
interfere with what you can do.”

John R. Wooden
(1910-); retired basketball coach, author



“Things turn out best for the people who make the best out of the way things turn out.”

John R. Wooden
(1910-); retired basketball coach, author



Employers

- Enhanced lighting
- Slip resistant flooring
- Handrails
- Jobs that limit falls

DANGER

**ASBESTOS
REMOVAL IN
PROGRESS**



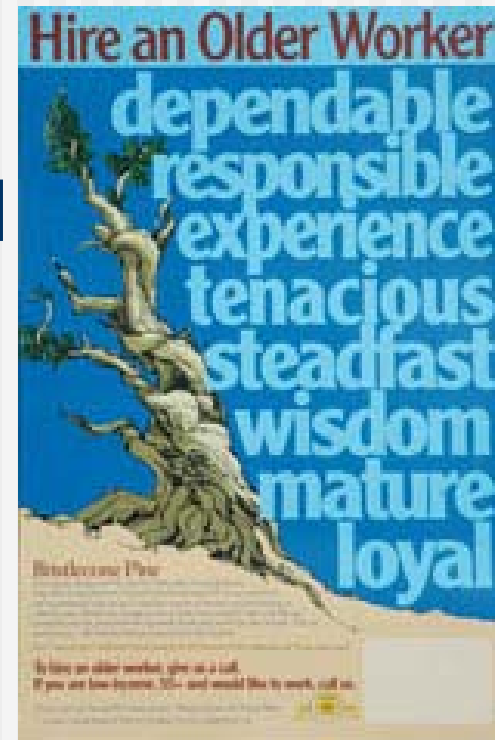
Age Takeaways

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- Small share of indemnity costs (2%)
- Small share of medical costs (2.6%)
- Less likely to be injured
- More expensive when injured



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