



Select Committee on Pension Policy

SCPP Study: High-Risk Job Classifications

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Committee Activity

- In June the SCPP received a briefing on study mandate and scope of research
- In July presented policy research and analysis
- In September presented preliminary findings and evaluation framework
- In October presented final findings and policy considerations
- Draft report in meeting materials



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1

Today's Presentation

- Review mandate
- Review high-level findings including follow-up from October meeting
- Possible SCPP action on draft report
- Last chance for SCPP action
 - Report due to Legislature on December 15, 2012



Study Mandate in 2ESB 6378

- "Study high-risk job classifications that entail high degrees of physical or psychological risk, or result in elevated risks of injury or disablement for older employees."
- Identify and evaluate occupations for inclusion in PSERS
- Prepare in coordination with L&I and OSPI



Multiple Methods Used To Study Job Risk

- Reviewed multiple national studies on older workers in the workplace and psychological risk in the workplace
- Reviewed stakeholder input and correspondence
 - Full correspondence attached to issue paper



Study Of Workplace Injuries

- In coordination with L&I, Workers' Compensation injury data, DOP, and DRS data used to calculate injury rates
 - Over 300 state and K-12 occupations
 - Compensable claims only used
 - Five-year time period from 2006 to 2010
- Credibility Weighted Rates calculated to adjust the observed rates for low claims and headcounts



There Are Four Main Sections On Findings

- October follow-up
- Physical and psychological risk findings
- PSERS membership evaluation findings
- Pension policy



October Follow-Up

- What are the affiliated entities in DSHS and DOC?
- What is the annual average headcount and claims?



Findings: Compensable Claims By Department*

Department	Annual Average Headcount	Annual Average Claims	% From Population Studied
DSHS/AFFL	17,899	651	68%
Veteran's Affairs	686	41	36%
Corrections/AFFL**	7,246	236	33%
Liquor Control Board	1,070	45	22%
Parks & Recreation**	622	17	6%
Consolidated Support Services	108	4	5%
General Administration	571	11	2%
Fish & Wildlife**	1,612	28	1%
Military Department	296	5	0.38%
Board Of Industrial Insurance Appeals	150	2	0.08%

Source: Department of Labor & Industries, Workers' Compensation compensable claims injury rates
 *All departments shown have higher compensable claims injury rates than the general population of those studied.
 **Employer included in statutory list of PSERS employers.

New Data Findings: DSHS AFFL/DOC AFFL

Employer	Annual Average Headcount	Annual Average Claims	% from Population Studied
DSHS Residential Habilitation Center	2,639	280	193%
DSHS Mental Health Hospitals & Institutions	3,287	254	125%
DSHS State Operated Living Alternatives (SOLA)	231	21	43%
Veteran's Home	686	41	36%
Corrections	6,431	203	29%
DSHS Juvenile Rehabilitation Administration	816	31	16%
Corrections Health Services	286	10	7%
DSHS DDD Field Services	366	4	(0.95%)
DSHS All Other	11,088	83	(9.39%)

Source: Department of Labor & Industries, Workers' Compensation compensable claims rates

Findings: Compensable Claims By Select Occupations*

Job Classification	Employer	Annual Average Head-count	Annual Average Claims	% From Population Studied
Attendant Counselor	DSHS	1,419	202	218%
Mental Health Technician	DSHS, DOC, DVA	479	69	129%
K-12 Service Worker**	School Districts	8,197	469	107%
Licensed Practical Nurse	DSHS, DOC, DVA	511	47	63%
Nursing Assistant	DSHS, DOC, DVA	141	18	59%
Psychiatric Security Attendant	DSHS	185	22	58%
Psychiatric Child Care Counselor	DSHS	79	12	53%
K-12 Crafts/Trades**	School Districts	1579	91	48%
Attendant Counselor Trainee	DSHS	173	18	43%
K-12 Laborer**	School Districts	185	18	43%
PSERS Baseline/Consolidation	DOC, LCB, WSP, Gambling Com., Parks & Rec, DNR	5,682	224	42%

Source: Department of Labor & Industries, Workers' Compensation compensable claims injury rates
 *Occupations shown are all above the calculated group average for compensable claims rates.

Findings: Physical And Psychological Risk

- Job conditions can lead to stress, which can lead to increased overall health risk
 - Isolating stress due to the job versus other factors is difficult due to the variability of stress
- Older workers, as a group, may not be more at risk for job-related injuries
 - Overall, injury rates decrease as workers age
 - However, time loss and fatality rates associated with workplace injuries increase
- A small number of occupational injury claims rates stand apart from the general population for both occupations and agencies



Findings: PSERS Membership Evaluation

- PSERS membership can be evaluated based on job duties or job risk
- Many criteria can be used
 - Injury rates
 - Job risks or hazards
 - Similarities to current PSERS membership



Findings: General Pension Policy

- Pension policy is better-suited to address risk related to age and length of service
- State policy is to provide consistent benefits, unless job requirements or conditions warrant otherwise
- Changing pension policy may create long-term contractual rights which likely cannot easily be undone
- Selecting appropriate retirement ages is a balancing act between employee and employer needs and affordability



Findings: Risk Related Pension Policy

- Occupational risk can be subjective and difficult to define
- Changing pension policy cannot eliminate all risk
 - Earlier retirement can reduce exposure for some
- There are likely approaches outside of pension policy, under current policy, or new approaches within pension policy to address workplace risk



Options For Further Study: Outside Pension Policy

- Comprehensive injury rate data analysis to include local government and higher education and to cover a longer period of time
- Long Term Disability Insurance
- Safety management practices
- Technology
- Human resource practices



Options For Further Study: Within Pension Policy

- Improved benefits for members who separate from service before normal retirement age
- Increased benefit/service credit multiplier for qualifying high-risk jobs
- Expansion of PSERS membership based on job risk or job duty
- Creation of a new plan for high-risk jobs
- Enhanced disability benefits for PERS, TRS, and SERS members
- Enhanced ERFs for PERS, TRS, and SERS members



Considerations On Options For Further Study

- Some options would likely be
 - Time consuming
 - Resource intensive
- May require funding
- The SCPP may consider which agency is best equipped to study certain issues — for example
 - HR analysis
 - Injury rate analysis



Executive Committee Recommendation



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18

Possible Next Steps

- SCPP may choose to
 - Adopt report findings
 - Make recommendation(s)
 - Adopt additional findings
 - Forward without adopting findings or making a recommendation
- Staff will finalize and send to Legislature



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19