



## Select Committee on Pension Policy

### SCPP Study: High-Risk Job Classifications

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### Committee Activity

- Briefings on study scope, policy research and analysis, and findings at the June through October meetings
- November Executive Committee and Full Committee considered final draft report and deferred action until December



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## Today's Presentation

- Recap on high-level findings and options from November
- Discuss possible new committee findings and recommendations
- Last chance for SCPP action today



## Three Decisions To Close Out The Study

- Adopt report findings or forward report without adopting findings?
- Adopt additional findings?
- Make recommendations?



## 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



## Recap Of November Meeting

- Presented additional compensable claims injury rate data presented three ways
  - Agency
  - Site
  - Occupation
- Looked at study findings organized into four categories
  - Physical and psychological risk findings
  - PSERS membership evaluation findings
  - General pension policy findings
  - Risk related pension policy findings
- Discussed options for further study
  - Inside pension system
  - Outside pension system



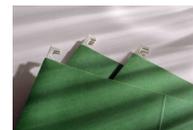
## Additional Input Was Received In November

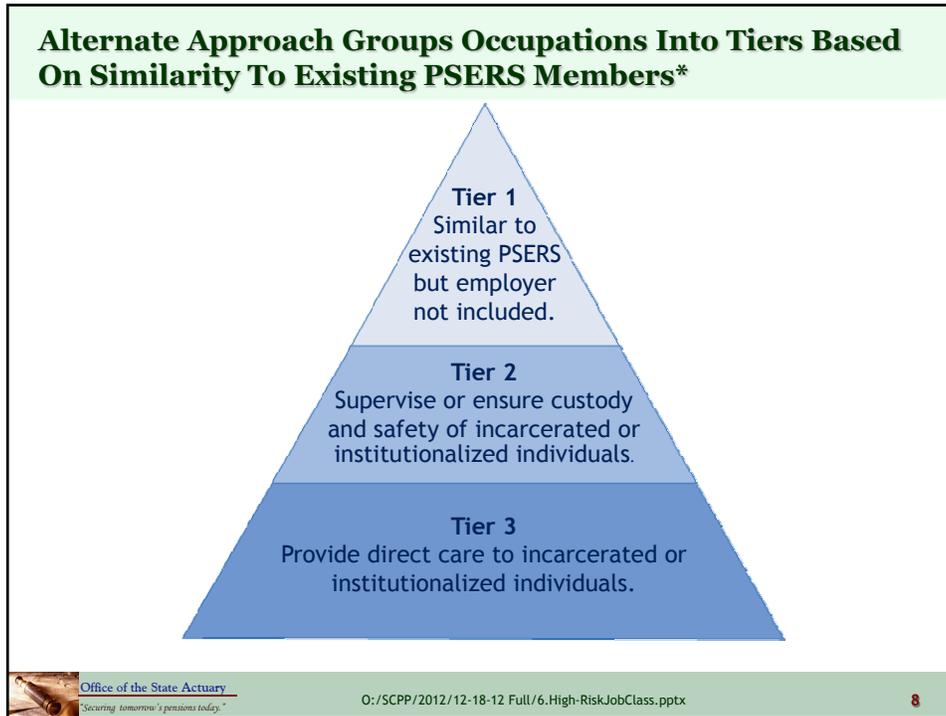
- Committee discussions and feedback indicated need for
  - Additional work evaluating PSERS membership
    - More focused list of potential occupations
  - Options for committee recommendations



## Changes Were Made To Study

- Two additional study findings added
  - "Among employers, three agencies had compensable claims rates that were at least 30 percent higher than the general population studied: Department of Social and Health Services (DSHS), Department of Veteran's Affairs, and Department of Corrections."
  - "DSHS had the highest compensable claims rates among employers. Within DSHS, the residential habilitation centers and mental health hospitals and institutions have the highest compensable claims rates, with rates more than twice the general population studied."
- Alternate approach to evaluating PSERS membership developed
  - Based on similarities of groups to existing PSERS members
  - Tighter focus than the PSERS Evaluation Framework presented earlier





### Possible Committee Findings And Recommendations

- Separate from study findings
- Staff provided examples
  - Intended to facilitate discussion around the evaluation of PSERS membership
  - Can be adopted, amended, or disregarded – in whole or part, or added to
- Separate handout with additional details

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## Examples Of Possible New Committee Findings

- 1F. Study findings insufficient to recommend specific groups for inclusion in PSERS.
- 2F. Workers' Compensation compensable claims rates data insufficient to classify jobs as high risk or as a basis for PSERS membership.
- 3F. Some non-PSERS members may have similar job duties or face similar risks as current PSERS members.
- 4F. Basing PSERS membership on job titles will likely lead to inconsistency in membership and have unintended consequences.



## Example Of Possible Committee Recommendations

- 1R. Job risk is better addressed outside pension system.
  - Rather than expanding PSERS.
- 2R. PSERS membership should not be expanded based only on job risk.
  - Any expansion should be limited to groups with similar duties or risks to existing PSERS members.
- 3R. PSERS membership criteria should continue to be based on employer and job duties, not specific job titles.
- 4R. The following group(s) should be studied for possible inclusion in PSERS...
  - Possible options on next slide
- 5R. Further study of options outside of expanding PSERS should be considered for other groups with higher risk of workplace injury or higher exposure to workplace stress.



## Example Study Options For Expanding PSERS

- *Option 1:* Groups that would likely meet existing membership criteria if employer were listed in statute.
- *Option 2:* Groups with primary responsibility of supervising or ensuring custody and safety of incarcerated or institutionalized individuals.
- *Option 3:* Groups with primary responsibility of providing direct care to institutionalized or incarcerated individuals.
- One or more study options can be recommended



## Three Decisions To Close Out The Study

- Adopt report findings or forward report without adopting findings?
- Adopt additional findings?
- Make recommendations?



## Possible Next Steps

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



## Appendix

- Appendix items are more detailed study findings and options presented at the November briefing on High-Risk Job Classifications



## Study Findings: Physical And Psychological Risk

- Job conditions can lead to stress, which can lead to increased overall health risk
- 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



## Study 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



## Study 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



## Study 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 Presented in November: 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 Presented in November: 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



## 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



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### 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. For the full list of occupational rates, see Appendix E in the High-Risk Job Classification [Issue Paper](#).



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