

There currently are two very strong demographic shifts that are beginning to impact workers compensation claims and as such will soon begin to have a driving influence on workers compensation rates. They are the aging of the workforce and the increased obesity of the workforce. The former of these changing demographics has some upside and the latter has only downside. You need to understand just how these changes will affect your restaurant insurance program.

Let's look at the aging of our workforce first. As I mentioned, this change does have some hidden positives. More people need to work later in life for financial reasons and it is estimated that in 2013 24% of the workforce will be age 55 or older. What does that mean for you and your workers compensation rates? Well, on the upside, older workers are injured less often. This is because they are more experienced and tend to avoid injury causing activities. The downside is that, when injured, an older employee takes longer to recover enough to work again. What this means for you is that you are more likely to experience higher claim frequency with your younger workers and higher severity rates with your older workers. The new workers compensation experience modification formula will tend to favor the younger workers as it will begin to include larger and larger losses in the frequency side of the equation. For more information on how the new formula works, [visit my blog here](#).

There are some interesting studies that indicate that older workers can be returned to work more quickly with better use of drugs that treat things other than the injury, such as diabetes, high blood pressure and high cholesterol. Traditionally, workers compensation would not pay for these medications but now there are indications that these conditions slow the older worker's recovery time and perhaps should be part of the workers compensation solution.

The other changing demographic that employers face when hiring is that of obesity. Unfortunately, unlike the aging workforce, this demographic has no upside at all. The obesity problem is growing at an alarming rate. In 2001, no state had an obesity prevalence of more than 30%. In 2010, there were 10 states with more than 30% of their citizens considered to be obese. As you can imagine, obese workers who are injured take much longer to heal and return to the workforce. They frequently have other medical issues such as diabetes, high blood pressure and high cholesterol to combat along with their workplace injury.

What can a restaurant owner do to help keep workers compensation costs low? The best advice out there seems to be that you should begin to take an active role in the wellness of your employees. Find ways to support their efforts to exercise more and to eat a more healthy diet.

Make sure that the exercise programs that you support make sense for the people engaging in them. Obese people will put more pressure on their joints and need to take care in choosing a safe exercise in the beginning.

Lastly, you should take a hard look at your restaurant workers compensation insurance carrier. Do they have the claims support to protect your interests after a claim? Will they assign nurses and case workers to the claim in order to help get your employee healed and back to work sooner? What is their position on the drugs to deal with ancillary conditions such as diabetes and high blood pressure that may slow healing?

At Clinard Insurance Group, we are a niche player in the restaurant insurance market. We understand restaurant insurance and we speak your language. I have owned 4 restaurants myself and I know where you are coming from on these issues. If you would like help with your restaurant insurance program or just need help with your workers compensation issues, please give me a call, toll free, at 877-687-7557 or visit me on the web at [www.TheRestaurantInsuranceStore.com](http://www.TheRestaurantInsuranceStore.com)