



The New Business of an Older Workforce

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An aging population is the most profound socio-economic force shaping the future of America's workforce, affecting both productivity and competitiveness. The nation's once perpetually young Baby Boomers, who provided a seemingly endless supply of workers, are now middle age and beyond. The generation's nearly 78 million members are in prime time - leading businesses, managing the know-how of public and private organizations, and serving as the largest pool of workers in business and government.

Unfortunately, they are also entering prime time for chronic disease. Just as they changed nearly everything in their wake, the aging Baby Boomer workforce is making employer-based health and wellness the new business of old age: a business with the potential to ensure productivity, reduce costs and improve a whole nation's quality of life.

Fearing Boomer brain drain

Working Americans age 55 and older are expected to compromise 19 percent of the nation's workforce in 2050, compared with the 13 percent in 2000. The percentage of those age 25 to 54 will decline from 71 percent in 2000 to 65 percent in 2050. The U.S. Bureau of Labor Statistics and a study published in Monthly Labor Review support these estimates.

Exacerbating the challenge of an aging workforce is the prospect of a Boomer brain drain; as Boomers enter retirement, their deep knowledge, institutional memory and skill set go with them. Both government agencies and businesses will soon find that they need older workers more than ever before. Ensuring health and productivity into older age is emerging as a key strategy for national productivity and competitiveness.

Older workers are the core of an organization's knowledge base. Many companies use older, more experienced workers to handle sensitive service calls and customer interactions. Manufacturing organizations often rely on older workers to ensure the quality of assembly. As people age, however, they're more likely to develop chronic illnesses. If left unmanaged, these illnesses are bound to spike healthcare claims and reduce productivity.

While older workers are less likely to be injured on the job, the aging process slows the recovery time for occupational and non-occupational injuries involving the back,

knees or hips. The disability rate for those age 65 and older was at least three times higher than that for the total population for three of five disabilities measured by the federal government's 2000 census.

The health and productivity of an aging workforce is becoming increasingly important to government policy makers, payers, providers and consumers. Efforts are now aimed at lowering risk factors that cause chronic conditions for people of all ages.

The youngest members of the Boomer generation are becoming mindful of the need to prevent the onset of chronic conditions. As Boomers approach their mid-40s, they approach the prime years for developing illnesses like diabetes, heart disease, hypertension, metabolic syndromes, obesity and elevated lipid or cholesterol levels.

Those who are 55 and older are trying to maintain their vitality by lowering their risk scores and managing diseases. The biggest danger they face is a higher propensity for experiencing heart disease, stroke or renal failure.

Agents of health behavior change

Before employers can expect to see any improvements in the health and productivity of their aging workforce, they must both motivate employees to take action and encourage employees of all ages to adopt a can-do attitude to living healthier.

By creating an environment that's conducive to supporting these objectives and by providing the necessary tools, employers can help employees prevent certain conditions from becoming more catastrophic, and in some instances, stave off disease altogether.

One step toward motivating employees to take action is to offer financial incentives such as discounts on health-care premiums or gym memberships for those who attain healthy living goals related to weight loss, blood lipid profile, smoking cessation and other accomplishments. Financial incentives are no doubt a powerful motivation for modifying consumer behavior. They can be even more powerful when coupled with pay-for-performance programs that reward providers for helping their patients attain similar wellness goals.

Moreover, employers can serve to promote as well as reinforce healthy behaviors - providing flexible schedules,



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assessing food services in the workplace and encouraging peer networks to support health and wellness. Beyond these efforts, offering disease management programs to those suffering from chronic conditions can improve compliance with prescription drugs and help better control those illnesses.

Employers also need to pay close attention to the important issue of healthcare literacy: helping their employees navigate their way through the system's growing maze of information and complex, often confusing administrative and delivery rules.

Knowing that the dawning age of healthcare consumerism poses serious communication challenges, it's worth noting that the Centers for Medicare and Medicaid Services have taken the lead in helping Medicare beneficiaries understand the cost and terms of their benefits, as part of a more transparent view of healthcare services. The agency also is looking into posting quality indicators so consumers are armed with enough information to make better choices - a move that could serve as a model for private enterprise

This is both a challenging and an exciting time for U.S. employers with respect to improving health and wellness among their workers. Corporate America and government agencies that together employ millions find themselves at the cusp of new opportunities to be strategic agents of change. And while older workers may be the catalyst for private and public employers to embrace wellness in the workplace, the health and productivity of a nation will also benefit from these lifestyle improvements.

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