

Lessons and Best Practices from the CHAA



Corporate Health Achievement Award



Healthy Workers

Healthy Environments

Healthy Organizations

Co-Sponsored by:



GlaxoSmithKline



A Message from ACOEM's President

The pace and pressure of North America's workplace is at an all-time high. Mergers, downsizings, technology explosions, market swings, demographic shifts, cultural changes, information overload – all spell complexity, and create a host of new workplace issues for employees who are trying to keep up with the pace of change.

The American College of Occupational and Environmental Medicine (ACOEM) believes that every workplace should keep the safety and well-being of its employees at the top of its corporate "to-do" list. Whether the challenge is a work-related mental or physical impairment, toxic waste management, or the emerging issue of emergency preparedness – renewed attention must be paid to employees' health, safety, and wellness needs if our economy and productivity are to continue growing and thriving. If today's economy has taught us anything, it is to recognize how important a safe, fulfilling, healthy work life can be in balancing the other parts of our lives. That is why ACOEM established the Corporate Health Achievement Award (CHAA) to recognize organizations that have demonstrated outstanding leadership and management in assuring employees a healthy and safe working environment.

The Award does more than recognize the accomplishments of organizations – it tells the North American business community that comprehensive occupational health programs make good business sense. CHAA reinforces the importance of measurable results and continuous improvement, and provides a forum in which participating organizations can exchange ideas and best practices on creating healthy and productive working environments.

Since its introduction in 1996, CHAA has grown to become the premier award in the nation recognizing exemplary corporate health practices. Twenty-three outstanding companies have been honored, including some of America's most recognizable brands – IBM, Lockheed Martin, Johnson & Johnson, Dow, Union Pacific, and many others.

ACOEM and our co-sponsor GlaxoSmithKline are proud to sponsor the CHAA to recognize organizations offering the best in employee health, safety and wellness programs. We are pleased to announce the recipients of the 2005 award:

DAIMLERCHRYSLER



Both companies are committed to providing occupational and environmental health programs of the highest quality and are leaders in developing innovative and effective practices to promote the well-being of both their employees and communities. Through systematic self evaluation, they are dedicated to constantly improving their activities. The enlightened companies who receive the Award have wonderful stories and great ideas from which we can learn. For your benefit, we have enclosed highlights about the programs of this year's award recipients.

Sincerely,

A handwritten signature in black ink, appearing to read 'TJK'.

Timothy J. Key, MD, MPH, FACOEM
President, ACOEM

2005 CHAA Award Recipients

DaimlerChrysler Corporation

DaimlerChrysler has made a safe workplace an important business value and has shown its commitment by promoting the health and safety of its employees through prevention and early intervention programs. The programs described below illustrate some of the company's more innovative programs and serve as examples of best practices for other organizations.

The Company

The DaimlerChrysler Corporation (and its related companies), headquartered in Auburn Hills, Mich., employs nearly 85,000 people and through its dealers, partners, and suppliers provides over one million employment opportunities in North America. It operates in more than 100 countries and is involved in the manufacturing, marketing, distribution, financing, and sales of cars, minivans, sport-utility vehicles, and trucks for worldwide consumption.

DaimlerChrysler's manufacturing facilities include 14 assembly plants, 11 power train plants, five stamping operations, two component plants, six technical centers in North America, and six manufacturing affiliations outside of North America. The company also has 22 parts distribution centers throughout North America. Medical Operations Department consists of four corporate health care professionals and more than 200 physicians and nurses.

DaimlerChrysler is a company that has been successful in its health and safety initiatives because it acknowledges the importance and value of working with The International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW). Collaborative partnership with the UAW has driven optimal results for their employees and the enterprise.

Leadership & Management

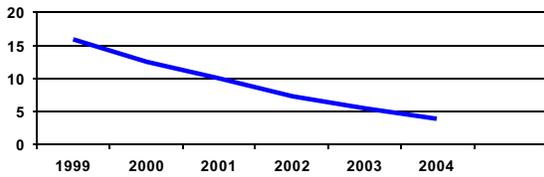
DaimlerChrysler's senior management is committed to promoting a culture that drives standardized processes with alignment throughout all levels of the enterprise. This culture not only promotes safety awareness through detection and correction but also implements health and safety processes aimed to prevent accidents and injuries before they happen.

BEST Program

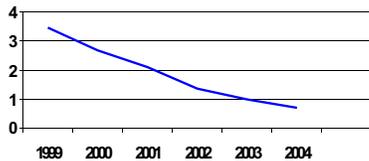
In an effort to achieve an excellent safety program that demonstrates "Zero Tolerance for Injuries," senior management and UAW leadership developed the Bringing Excellence to Safety Teams (BEST) program in 1999. This program empowers that all employees become active participants in the health and safety process, all employees identify and remove safety hazards, and integrates health and safety initiatives into all continuous improvement activities.

BEST has six program components, these include monthly safety review board meetings, weekly incident review board meetings, weekly safety observation tours, integration of health and safety into the continuous improvement activities, powered industrial vehicle driver point system, and energy control/lockout process. The strength of the BEST program is demonstrated through Union-Management cooperation, shared leadership in safety, employee involvement in safety programs, and significant and continuous reductions in occupational injuries and illnesses. For example, from 1999 to 2004, DaimlerChrysler's incident rate for injuries decreased from 16.0 to 3.88 and its lost workday rate associated with injuries declined from 3.5 to 0.72. In addition, during that time frame, millions of dollars of workers' compensation expense were saved, warranty quality has improved by 50 percent, and productivity by 20 percent since 2001.

**Incident Rates
DaimlerChrysler USA
1999-2004**

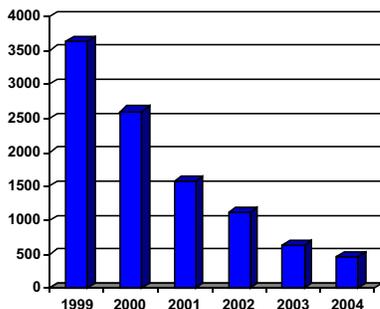


**Lost Workday Rates
DaimlerChrysler USA
1999-2004**



To further assist in reducing the overall Incident Rate and Lost Workday Rate, a focused effort was placed on ergonomics since 1999. Resources were allocated to address ergonomic related injuries that were occurring on the plant floor and on engineering out ergonomic concerns on new programs. These efforts have had a dramatic impact.

**Ergonomic Injury Trend
DaimlerChrysler USA
1999-2004**



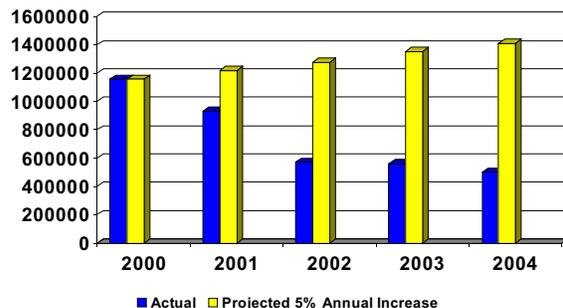
Healthy Workers

The plant medical departments provide services in prevention, return-to-work evaluations, employee education, disability management, ergonomic assessment, placement examinations, occupational and non-occupational injuries or illnesses, and surveillance examinations. In an effort to standardize the care for its employees, DaimlerChrysler developed a health services manual reflecting the current standard of care and a standardized formulary for medical and pharmaceutical supplies.

In addition, the Evaluation and Monitoring Program (E&MP) was implemented in 2002 to annually assess key structural elements, variations in clinical practice, measurable and specific physician goals and regulatory compliance. Through this standardization, DaimlerChrysler has been able to improve efficiency of its services, improve quality of care, and reduce cost. Since 1999, the company has saved more than \$500,000 annually in medical supplies expenditure.

Additional savings are anticipated in 2004 following the launch of an electronic ordering system, which will ease the ordering process and track usage and costs. With the implementation of E&MP, the number of employees with medically unable to work restrictions decreased 87 percent from 2002 to 2004 which represents significant potential savings in replacement worker cost and increased opportunity for placement.

**Medical Supplies/Equipment Expenditures
\$2.7 M cumulative 4 year savings**



Vending Machines for OTC Medications

In 1998, DaimlerChrysler implemented a program that allows employees to obtain over-the-counter medications for minor non-occupational health problems (e.g., headaches, minor cold symptoms, mild indigestion, etc.) from vending machines. The purpose of this program was to save employees time away from the job and to allow medical staff to focus on treating employees with occupational injuries, illnesses, or serious non-occupational health problems. In the first year, there were approximately 4,000 vends for the medications in three plants. Currently, 20 plants have vending machines averaging over 132,000 vends annually.

On-site Physical Therapy

DaimlerChrysler has developed rehabilitation programs for injured employees in order to keep them at work and provide them with jobs for which they are physically qualified. While most facilities refer injured employees to outside providers for physical and occupational therapy, a pilot program was developed at two plants providing physical therapy services on site. Treatment is for both occupational and non-occupational cases, but preference is given to occupational cases. The program has received a positive response from the employees and the physicians. It is more convenient, plant management likes the reduced time away from the job, and the physicians have more control over the cases. In the first 18 months of this program, there were direct savings of approximately 30 percent. DaimlerChrysler plans to expand this program over the next two years to include three additional plants.

Healthy Environment

Emergency Preparedness

DaimlerChrysler has established a corporate Crisis Management Team (CMT) to handle situations requiring emergency response. CMT conducts annual training on issues related to crisis management and incident command operations. Each operating facility also has protocols for the creation of local Incident Management Teams (IMT). These teams handle critical incidents including major accidents or injuries, tornado/

threatening weather response, and other incidents that require outside resources. Facility managers head the IMTs and they are composed of management and union representatives, which work closely with the community.

Periodic drills involving local hospitals, fire and police departments, and local health departments are also conducted. DaimlerChrysler has demonstrated its competence by successfully responding to actual incidents as well as severe weather.

Healthy Organization

Wellness Program

Since 1985, DaimlerChrysler and UAW have supported health and productivity by providing a comprehensive Wellness Program free to all employees. The program has full-time staff on-site at all facilities with 500 or more employees and locations with fewer than 500 employees are managed remotely. DaimlerChrysler offers biometric screening and Health Risk Assessments (HRA) to all its employees. The HRA measures health risks and related factors that participants can improve through changes in behavior. This includes but is not limited to nutrition, back care, exercise, cholesterol, stress, smoking, alcohol, and well-being. The biometric screening includes total cholesterol, HDL, glucose, and blood pressure. Program offerings delivered on-site include educational workshops, courses, lifestyle management programs, on going awareness, interactive campaigns, group support, incentive opportunities, follow-up and cultural support. Participants receive incentives for participating in the program in the form of credits that can be redeemed for a T-shirt, gym bag, blanket or other item related to the program theme such as weight management book for a weight loss course.

In 2004, 85 percent of eligible employees participated in at least one wellness program annually and 41 percent participated in both the HRA and screening for total cholesterol, HDL cholesterol, and blood pressure. Savings estimates showed that wellness program participation was associated with significant savings in dollars per employee from 1991 to 1995, with the highest dollar savings achieved in 1995 (\$16 per employee per month).

Absence & Disability Management Programs

At DaimlerChrysler, case management is a collaborative process that integrates health plans and disability programs to evaluate and service individuals' needs. Programs available to employees and dependents include disease management for asthma, diabetes, congestive heart failure and coronary artery disease, disability case management for employees who are not at work, and medical case management which includes catastrophic and chronic care for all segments of the population. The Disease Management Program is a behavioral intervention program with an emphasis on self-management and lifestyle skills. A case manager is assigned to the participant and conducts an initial assessment by phone to determine appropriate interventions. Interventions include assistance with medication compliance and/or other aspects of the medical treatment plan.

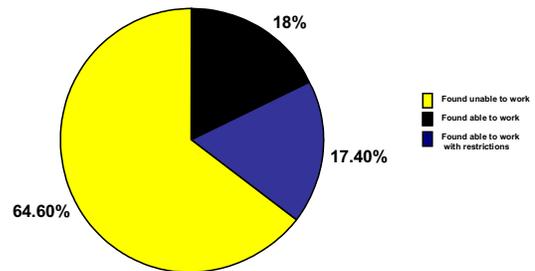
The Medical Case Management Program is designed to meet the individual health care needs of participants with serious, catastrophic and terminal illness. The program provides an alternative to extended or recurrent inpatient hospitalizations. The case manager coordinates services among physicians, facilities and related suppliers. Disability case management is utilized to assist employees losing time from work to establish realistic goals and treatment objectives which will enable a safe and effective return to work. This involves coordinating with the manufacturing locations.

DaimlerChrysler's Disability Evaluation Program (DEP) for non-occupational claims utilizes evidence-based medical guidelines for duration and extent of disability determinations. This systematic approach determines whether an employee is able to return to work in any capacity. When a claim is questioned, an independent medical examination is performed by a panel physician. Panel physicians are mutually agreed upon between management and UAW.

This examination serves as a second opinion to determine whether a disabling condition is present in those employees off work for medical reasons.

In 2003, there were 8,917 DEP examinations conducted – 18 percent of the examinations found the employee able to return to work; 17.4 percent found the employee able to return to work with restrictions; and 64.6 percent found the employee unable to return to work. Employees found not able to work on a DEP examination are periodically re-examined during the time they remain off work.

Results of DEP Examinations in 2003



Conclusion

DaimlerChrysler strives to integrate safety and health into its normal business processes. The company recognizes its social responsibility and understands its importance to the workforce, its consumer, and the overall community.

Commitment from its leadership has allowed DaimlerChrysler to offer a variety of health and safety programs to its employees. Overall, these programs have allowed the company to improve its safety record, improve quality, lower their absenteeism rates, and lower its overall costs.

Quad / Graphics

Quad/Graphics is fast becoming a model for companies desperate to control double-digit rises in health care costs, according to *The Wall Street Journal (WSJ)*, which featured Quad/Med (the on-site medical center) in a front-page story on February 11, 2005. According to *WSJ*, “dozens of companies have toured Quad’s clinics looking for inspiration.” Thomas Quadracci, President and CEO, emphasized Quad/Graphics’ commitment to employee health, safety, and environmental programs as evidenced by the company’s on-site, state-of-the-art medical clinics, evolving wellness programs, on-site fitness centers, and established leadership in the printing industry for environmental protection programs.

The following information summarizes a few of the Quad/Graphics and Quad/Med programs in the areas of Leadership and Management, Healthy Workers, Healthy Environment, and Healthy Organizations. The company illustrates model approaches to workplace and workforce health, wellness and safety initiatives.

The Company

Quad/Graphics is the world’s largest privately held printer of magazines, catalogs, and commercial products, and the third-largest commercial printer, public or private, in the U.S. Founded with 11 employees in 1971, today the company has approximately 12,000 employees with annual sales exceeding \$2 billion.

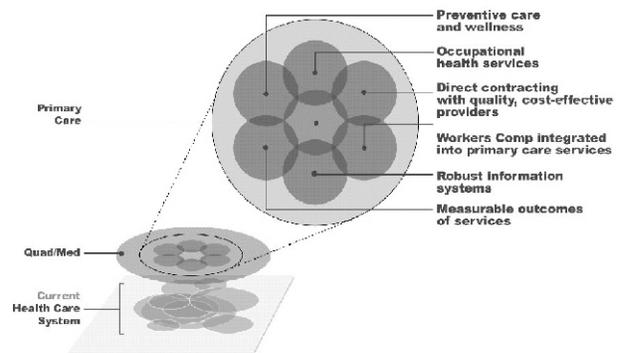
Quad/Graphics is headquartered in Sussex, Wis., and has nine printing plants in five states. The company also has 25 prepress centers nationwide which prepare and create content for print and multimedia. Quad/Graphics has several subsidiaries including: 1) Quad/Chemical Research/Technology which manufactures up to 120 million pounds of ink per year; 2) Quad/Tech which designs and manufactures computerized control for press and finishing equipment; and 3) Quad/Med which operates the company’s health facilities and manages all medical, health fitness, and occupational health programs.

More than 88 percent of Quad/Graphics’ employees work in print-production facilities operating printing presses and finishing equipment. This type of work generally involves sedentary to light lifting demands and is performed standing. Quad plants run continuously on 12-hour shifts. The average age of the workforce is 37 years old, and males comprise 74 percent of the employees.

Leadership and Management

Quad/Graphics’ culture is based on the holistic philosophy that “it is our responsibility to take care of your world.” Quad/Graphics’ corporate mission embodies a number of principles including the commitment to improve the environment. Additionally, corporate values define employees as the company’s greatest asset. Quad/Graphics understands the direct impact of employee health and wellness on productivity and views health care as an investment in the workforce.

Quad/Med Strategy



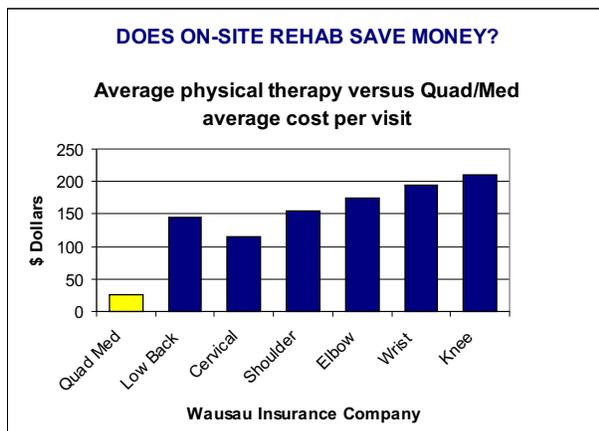
Quad/Graphics’ commitment to employee health and safety is demonstrated through the implementation of strategies that are designed to optimize the health, safety, quality of life and the productivity of its employees. The company recognizes the importance of integrating health professionals into decision-making processes, and accomplishes this through the resources and staff of Quad/Med.

The Quad/Graphics Health and Safety Team is well organized, innovative, and adaptive to changing environments. It has established an exceptional communication system and provides mutual support. Of particular note is the electronic medical records and informatics system that has been established within Quad/Med. Privacy and confidentiality of the patient records are maintained, but a sophisticated health informatics system allows for research and tracking of key health risks of the employee population. Data is consolidated to optimize research, identify trends, and monitor the impact of wellness initiatives in the workplace.

Healthy Workers

The healthy worker is of paramount concern and the driving force for the many innovative services provided to the employees of Quad/Graphics. The company has onsite medical facilities run by its subsidiary Quad/Med. In addition to medical clinics, rehabilitation facilities staffed by therapists and rehabilitation specialists are also available on site.

A distinct advantage to the on-site medical and rehabilitation facilities is that all Quad/Med physicians, therapists and rehabilitation specialists are fully aware of job demands and focused on a safe return to work. Additionally, with the facilities on-site, same day appointments are available for therapists and rehabilitation services. There are no delays in return to work due to failure to have the necessary paperwork or the inability to be seen by a physician or therapist.



The transition from occupational to non-occupational health care is seamless. The employee health benefit plan provides full coverage for routine health exams as well as exams for chronic diseases. The sophisticated health informatics system in place allows physicians to track those who have missed key appointments and notify patients via mail or phone. Quad/Med’s programs have resulted in employees exceeding the national norms compiled by the National Committee for Quality Assurance (NCQA) in almost all categories.

CATEGORY	QUAD/MED	NCQA
Childhood Immunizations		
Two (2) years and under	98%	68%
Under 13 year of age	88%	50%
Coronary Artery Disease		
Lipid Panel in past year	98%	79%
LDL greater than 130	81%	61%
LDL greater than 100	64%	
Beta Blocker after MI	100%	93%
Diabetes Care		
Annual eye exam	67%	52%
Annual Lipid Panel	78%	85%
LDL greater than 130	61%	55%
A1C every 3-6 months	60%	
Annual UA for protein	63%	52%
Asthma Care		
Long-term therapy for persistent asthma	75%	68%
Miscellaneous		
C-Section rates	12%	26%
On medications for diagnosis of hypertension	92%	40%

The focus on preventive care coupled with work-site wellness initiatives have contributed to the success of Quad/Med. Additionally, encouraging doctors to discuss health care and wellness

programs, through a bonus system tied to patient evaluation and health outcomes, has enhanced the Quad/Med ability to control rising health care costs.

Quad/Med's programs and ease of access to care have resulted in medical costs 30 percent below that of the average company in Quad/Graphics home state of Wisconsin. In 2003, Quad/Med spent about \$715 per person on primary care compared to an average of \$375 for other local employers. However, this investment has paid off with lower hospital costs, i.e. an average of \$1,540 per employee compared to the local average of \$2,450.

AODA Services

In 1991, Quad/Med created an onsite addiction and recovery program aimed at helping employees understand that recovery is desirable and achievable. Quad/Med is a Wisconsin state-certified, full service Alcohol and other Drug Abuse (AODA) provider with a comprehensive outpatient alcohol and drug treatment program available at no cost to employees and their dependents. AODA counselors are available at Quad/Med clinics and at those plants without a clinic; counselors have an office in the plant. Because of the accessibility and early intervention of the program, few Quad/Graphics employees enter inpatient rehabilitation.

A component of the AODA services is a unique volunteer program termed Friends of Recovery. More than 140 employees who have achieved at least one year of recovery from addiction wear a special lighthouse patch on their work uniform. The patch signifies that this individual is willing to listen and talk with anyone struggling with addiction. All conversations are confidential. The program seeks to breakdown stereotypes and removes the shame and embarrassment often associated with addiction.

Through Quad's AODA program, at least 43 percent of participants successfully complete a minimum of 15 sessions. This is in contrast to standard programs that have a 55 to 75 percent drop-out rate before the fourth session.

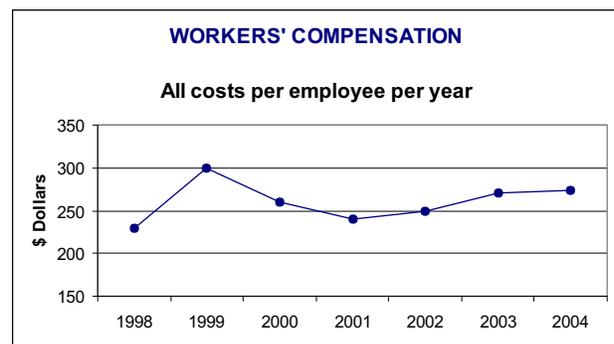
Healthy Environment

Lean Initiative

Quad/Graphics is committed to controlling environmental impacts and providing a safe work environment for all employees. The environmental safety department creates and maintains written protocols for safety processes and procedures and plant departments enforce these procedures. The company is dedicated to continuous improvement through benchmarking and data analysis.

The Lean Initiative is a total quality improvement program established two years ago to systematically evaluate and improve all areas of plant operation. Employees provide many of the suggestions used in the program. Environmental safety and ergonomics are key components of the program and committees work closely with Lean teams to insure that any changes in workplace activities or equipment enhance safety as well as productivity.

Employees receive safety training for all substances and equipment used for their particular jobs. Safety procedures and updates are available through the company's Intranet. Information on all chemicals used in the printing process is also assessable via the Intranet. As new chemicals are introduced, announcements on the chemical and its potential side effects are communicated to employees. *Tool Box Talks*, a monthly employee newsletter, also contains articles on safety/injury prevention and provides important emergency information. The focus on safety has resulted in decreases in OSHA reportable incidents and DART rates. Both elements show a year-to-year improvement and exceed national averages.



Healthy Organization

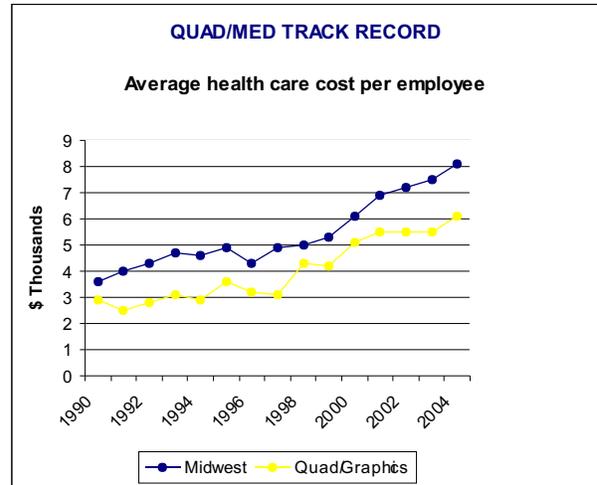
On-site Clinics/Health Care

Quad/Med runs on-site medical and rehabilitation facilities providing easy access to medical/health care with a focus on preventive services. Quad/Med clinics are the first line of defense in promoting health and wellness. Clinics provide complete preventive exams for all ages including early prenatal care, chronic disease management and wellness classes. Quad/Med physicians receive training in preventive measures and disease management protocols following U.S. Preventive Services Guidelines and other evidenced-based protocols. All providers receive feedback on their performance and rates of compliance with guideline principles.

The president of Quad/Med and the associate corporate medical director are involved in the development of the employee benefit plan. Knowledge from the medical side of the organization is integrated with the human resource component to craft benefits that address the issues facing the employee population. This integration of medical and benefit departments to design the right mix of benefits is a model program.

Quad/Med has been able to contain the increases in health care costs through careful management of medical conditions and an emphasis on prevention.

As previously noted, while Quad/Graphics health care costs per employee were increasing, they were below the average costs per employee for Midwest companies from 1990 through 2002.



Conclusion

Quad/Graphics has demonstrated their leadership in health and safety management. The company’s strong commitment to the health and wellness of their employees as stated in their mission statement, “its most important asset is its people” is clearly demonstrated by the depth and breathe of programs offered to employees.

Corporate Health Achievement Award Recipients

2005 Recipients

DaimlerChrysler Corporation

Quad/Graphics

2004 Recipient

Cianbro

2003 Recipients

BAE SYSTEMS

Marathon Oil Corporation

Union Pacific Railroad

2002 Recipients

Bristol-Myers Squibb Company

Eli Lilly and Company

International Business Machines (IBM)

Kerr-McGee Corporation

Vanderbilt University

2001 Recipient

The National Security Agency/Central Security
Service (NSA/CSS)

2000 Recipients

Dow Chemical Company

GE Power Systems

Sherman Health Systems

1999 Recipients

AlliedSignal Inc.

City of Indianapolis and Marion County
Sheriff's Department

Baltimore Gas and Electric Company

GlaxoWellcome, Inc.

1998 Recipients

International Business Machines (IBM)

The Boeing Company

Johnson & Johnson

First Chicago NBD

1997 Recipients

Hughes Electronics Corporation

Lockheed Martin Energy Systems

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