ACOEM CORPORATE HEALTH ACHIEVEMENT AWARD
2003

Union Pacific Railroad
Dennis Richling
President Midwest Business Group on Health
Former AVP-Health Services
Union Pacific Railroad
Company Vision

• Union Pacific is committed to be a company where:
  – Our customers want to do business,
  – Our employees are proud to work,
  – And shareholder value is created
Union Pacific Values

- Safety
- Quality Principles
- Respect for Employees
- Commitment
- Accountability
- Simplicity
- Communications
Fast Facts in The USA

*Miles of Track*  33,000+

*Employees*  47,000

*Locomotives*  6,886

*Freight Cars*  96,776

The largest railroad in North America

Operating in the western two-thirds of the United States

The system serves 23 states

Freight Transportation
CHALLENGES

- Geographically dispersed population
- Mobile population
- Rural locations
- Fifteen unions
Union Pacific- Health Services Department

• The Health Services Department is committed to minimizing both employee and company related losses through
  - Assurance of employee fitness for duty,
  - Compliance with existing & anticipated regulatory and/or company health standards,
  - Integration of wellness/prevention health concepts into company culture,
  - Efforts to protect the company against unwarranted work related health claims, and
  - The provision of medical staff resources to support company plans, operations, and training
Healthy People
Operation RedBlock

• Operation RedBlock is a joint union and management effort that began in the late 1970’s in response to a special study of alcohol abuse among railroad workers

• Operation RedBlock is an alcohol and drug abuse prevention and intervention program, lead by employees and supported by labor and management
Healthy People
Operation RedBlock

• **Program Goals**
  – Alcohol and drug free workplace

• **Program Elements**
  – Awareness
  – Education and Training
  – Intervention
UPRR Substance Abuse Referrals

Program Recidivism Rate is 8 to 10%

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
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<tbody>
<tr>
<td>Drugs V</td>
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<td>190</td>
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<tr>
<td>Alcohol V</td>
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<tr>
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<td>190</td>
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<tr>
<td>Alcohol M</td>
<td>190</td>
<td>210</td>
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V=Volunteer referral
M=Mandatory referral

Totals:
2001: Drugs 174, Alcohol 249
2002: Drugs 190, Alcohol 290
Healthy People-Further Efforts
Operation Lifesaver

- **Operation Lifesaver**
  - began 1972 as a 6 week awareness program sponsored by the State of Idaho and Union Pacific Railroad.
  - In 1986, a national non-profit organization was formed

- **Mission**
  - Education
  - Enforcement
  - Engineering
Healthy People-Further Efforts
Community Coalitions

- Developed through the realization that grade crossing collisions & trespasser incidents are both a railroad and community issue

- Develop community involvement in collision & trespasser prevention programs including:
  - Operation Lifesaver
  - Grade Crossing Collision Investigation Training
  - Officer on the Train Program
  - Grade Crossing and Upgrade plans
Healthy Environment
Safety Process Elements

- System Safety and Derailment Prevention Team
- Work Unit Safety Action Plans
- Human Factors Engineering
- Industrial Hygiene
- Prevention Programs
- Safety Assurance and Compliance Program
- Public Safety and Grade Crossing Accident Prevention
- Safety Strategy Team
Healthy Environment-How Do We Communicate

- UP Online - 3 day a week electronic newsletter
- ITV- 24 hour video “Slide Show”
- UPLINC-Business TV
- Video Production
- Newsletters/Printed Communication
Healthy Environment

Employee Reportable Rate
1993 - 2002

Per 200,000 MHRS


- 5.96
- 4.65
- 3.88
- 3.01
- 3
- 3.2
- 3.51
- 3.12
- 3.07
- 2.41
Healthy Environment
PPE Vending

• Benefits
  – Provides real-time access for employees and relieves management from having to personally distribute safety equipment and keeping inventory
  – Allows instant access and control for management to set, raise, or lower usage limits
  – Reduces supply expense by encouraging use when needed and discouraging waste
  – Reduces total supplies used
  – Maintains historical record
Healthy Environment
PPE Vending
Healthy Environment
Environmental Management

• Policy Statement
  - Union Pacific Railroad Company (UPRR) is committed to protecting the environment for our customers, our employees, and the communities in which we operate.
Healthy Environment
Environmental Management Facts

- Over 1,400 new fuel efficient locomotives purchased between 2000 and 2002 replacing 20% of fleet.

- Union Pacific has the youngest fleet and most eco-friendly fleet in the business

- 40% of fleet and all new acquisitions since 1993 have been equipped with impact-resistant fuel tanks

- 97% of fleet is equipped with retention tanks to capture fluids that previously may have reached the ground
Healthy Environment

Continuing improvement in fuel efficiency \((\text{gallons} / 1000 \text{ GTM})^*\)

> 11% improvement in 7 years
Healthy Company
Preventive Programming

- Health Promotion Programs
  - Health Track - Risk Identification/Reduction Program
  - System Health Facilities
  - Medical Self-Care
  - Know Your Numbers
  - Butt-Out & Breathe
  - Research Grants

- Alertness Management

- Work/Life Balance Programs
Healthy Company Research Grants

• Reduce Obesity Now
• Training & Education for Diabetes
• Get Healthy DeSoto
• NHLBI Cholesterol Lowering Study
• NHLBI Weight Control Study
Percent of Total Health Costs Related to Lifestyle Diseases - Medstat/Hero Analysis

Analysis compared UPRR to HERO Data Base

2.6% Annual Growth

Study predicted a $77M cost avoidance in 2008 using current dollars with a 1% annual reduction in risk.
Percent of Total Health Costs Related to Lifestyle Diseases - Actual Vs Predicted

- Actual Contribution
- Predicted Contribution

1998: 22.4%
1999: 24.0%
2000: 22.1%
2001: 18.8%

2000: 27.6%
2001: 30.2%
Lifestyle Costs - Actual Vs. Predicted
In Millions of Dollars

- Actual Costs
- Predicted Costs

$86.6 $94.6 $88.5
$90.2
$118.1
$142.1

$53.6M

1998 1999 2000 2001
Management and Leadership

• **Keys to Management/Leadership Commitment**
  - Big Financial Deal both Safety and Health and Welfare
  - Safety #1 Responsibility of Every Employee
  - Integration of Health and Safety into daily operations of railroad
Future

- Continued integration of Preventive Health Programs into Total Safety Culture
- Creation of Health Index to ensure responsibility for health programs at local level
Recommendations to Others

- Know your business
- Incorporate health activities into existing business structure
- Partner with other organizations when possible
...AND THAT CONCLUDES MY STORY...DOC!!