



ACOEM International Section¹ | International SOS Briefing
**The Yin and Yang of Managing the Healthcare Needs
of Your Global Workforce in China**
December 6, 2010



¹Although this webinar has been co-sponsored by ACOEM's International Section, the viewpoints expressed by the moderator and panelists are not necessarily those of ACOEM.

The Yin and Yang of Managing the Healthcare Needs of Your Global Workforce in China

China's rapid industrialization and economic growth has attracted companies from all over the world to conduct business or establish operations within this flourishing country. This influx has presented many occupational health challenges for multinational companies. This briefing, based on the questions and answers from the webinar, "The Yin and Yang of Managing the Healthcare Needs of Your Global Workforce in China," hosted by the International Section of the American College of Occupational and Environmental Medicine (ACOEM) and International SOS, addresses the current occupational health challenges for corporations seeking to promote a healthy and productive workforce in China.

Overview of Panel Questions

Question 1 from Leslie Yee to David Christiani:

Given your three decades of research experience in China, can you reflect on some of the significant occupational health trends in China? The pace of change, of course, depends on whether you're speaking of multinational corporations, state-owned enterprises, or private Chinese companies. My perception however is that in general the occupational health focus in China has shifted from putting basic occupational health programs in place, to health and productivity management -- primarily for boosting worker productivity but also for supporting employee recruitment and retention. This shift has largely been driven by demographic trends in China such as the rapidly aging population and the increasing prevalence of obesity and other lifestyle problems, such as the high levels of smoking.

David Christiani, M.D., M.P.H., M.S.

Professor of Medicine, Harvard Medical School

- Some dramatic changes have occurred over the past 30 years. In the field of production, there is the introduction of more modern production techniques, and therefore more varied compounds that are used in the workplace. These modern techniques run parallel with traditional, older processes, depending on which sectors you are in, which in turn define the nature of potential exposures.
- Another field of change comes in management and ownership of industries, and social and secular trends in society, in terms of how these impact lifestyles, workers and the workplace.
- There is a mixture of very modern technology and production, co-existing with an "unfinished agenda" in health and safety where smaller enterprises (such as town/village enterprises) have very poor conditions. In these smaller enterprises, especially those that produce light industrial goods for retail, Chinese surveys indicate that services are often nonexistent.
- For our audience, which is global corporations, there are different sets of challenges: education and training of the workforce represents significant investment, so retention becomes important whereas in low skill environments, that might not be true. Globally, American companies are trying to implement internationally standardized approaches to occupational health and safety and introducing quality control for production and training in China.
- For executives, international workers, and managers expected to travel, there are a whole range of health concerns related to sleep disorders, disruption of circadian cycles and disruption of normal medication cycles for chronic conditions where drug efficacy or toxicity may be affected by rapid changes in time and sleep. Recognition of ergonomic issues is rising for both the international and domestic workforce, side by side with health and safety issues.
- On the social policy front, the Labor Law of 2008 may have greater impact than some of the health and safety legislation on workplace safety. The positive focus on wages and benefits reflects a new relationship between labor and management. If job stability and improvement in workforce rights arises from this new relationship, it is possible that benefits could be extended to domestic companies, not just to global partnerships. American companies are ahead of the curve in anticipating changes in law and policy.

Leslie's comment: There are indeed dramatic variations in the levels of occupational health and safety standards depending on the size, location, and ownership of the enterprise involved, so global corporations must pay close attention to the due diligence review of their joint venture operations and suppliers within China.

Question 2 from Leslie Yee to Myles Druckman:

Given your many years of experience in supporting the health care needs of multinational corporations in China, Russia, and elsewhere, what can companies do to ensure that the health needs of their expatriate employees and families are addressed in China?

Myles Druckman, M.D.

Vice President, Medical Services, Americas Region, International SOS Assistance, Inc.

- Organizations in China face a daunting task; that is, how to manage employees, expatriates and families locally in China, which is reportedly one of the most difficult/challenging places in the world for expatriates in terms of cultural issues and accommodating to local environments. China is a world unto itself: there is a lot of variability in care, from top modern specialists to barefoot doctors from the turn of the century.
- Companies are putting in more manufacturing plants in “off the beaten track” locations, so as expatriates travel to second and third tier cities, the less the familiarity becomes, the more challenging it is to adjust.
- Companies MUST address dependents that have health issues before they go, especially if they have chronic issues, or children with special needs. Effective coordination of health needs on the ground for dependents is essential, such as obtaining the right specialists, accessing English speaking experts, and receiving the same medications within China.
- Organizations must do their homework before relocation and then manage that process once on site. Expatriates require in-country support, especially as their work cycles are very different (work hours are often very long and different time zones can interfere with their ability to operate); overall the workload is greater.
- You can't forget family members – this is critical – many relocations/assignments that fail are due to inadequate support of dependents, e.g. dependents or spouses have health issues that are not identified before going to China and this causes disarray once on the ground.
- Coming back home is a major adjustment – differences in the life flow and work flow back in the United States can cause problems. Thus, families need assistance when re-acclimating back to home environment also.

Question 3 from Leslie Yee to Harvey Zhou:

Since GE has a considerable number of employees in China, what insights can you share to help other companies provide appropriate care for their local national employees in China?

Harvey Zhou, M.D.

China Medical Director, GE Energy

- GE has over 11,000 employees in 53 locations throughout China working in labs, workshops, offices, and/or in remote areas
- At GE Energy, we have 3,500 employees in China, and because we can be involved in the water, energy, oil, gas and other sectors, we must prepare employees for various hazards of occupational health and safety, which can be physical, chemical, biological, geographic or psycho-social.
- Working together with the US official health team, we try to protect our employees, and comply with local laws and regulations, and meet appropriate standards and minimize liability. Our company health professionals work with managers in occupational health and safety in the areas of medical services, emergency preparation, and industrial hygiene.
- We have created a framework which is implemented on every site in China; the medical services will be powered by one or two employees; on a large site, there will be an onsite nurse or doctor involved on a daily basis, for a small site the regional medical lead will communicate with local managers and visit on site at least twice a year to ensure full compliance.
- Basic objectives/principles in China for us:
 - **Compliance:** We need to be compliant with local laws in China and at the same time, with corporate rules and regulations.
 - **Best practices:** For example, how can we increase effectiveness of emergency response on site? Partly from awareness and feedback from employees and their families which provides continuous training for responders as well. Refresher trainings are also available every year onsite to improve the quality of emergency response.

- **Cost-effectiveness:** Health professionals have the responsibility to cut costs; for example, in the area of health surveillance and examinations.
- In small cities there is the challenge of not having adequate testing/examinations for occupational hazards/syndromes. In terms of risk management, we need a general hierarchy of controls. Internally, companies need to meet the needs of local national employees and cover gaps within local medical infrastructures in the community. Externally, we can work more collaboratively with local governments about optional and mandatory requirements, and with local hospitals. Risk management should be as practical as possible when operating in China.

Question 4 from Leslie Yee to Wayne Quillin:

Given your experience in Kazakhstan and China, what advice can you provide for multinational organizations to address the environmental health questions of their US citizens moving into China?

Wayne Quillin, M.D.

Regional Medical Officer, Beijing, U.S. Department of State

- We mostly take care of US government employees and their families, about two-thirds of whom reside in Beijing. Environmental health questions come up on a daily basis, and one of our biggest challenges is that there is a constant flow of information on environmental risks, food and drug safety, and air and water pollution.
- We must stay on top of this information and our approach is to individualize each employee/family's case during their medical clearance process. We stay in touch with those who are generating the research.
- Air pollution is the single most common environmental question and complaint, both from those who are already here and those who are thinking of relocating. We must tailor our response to each family and discover to what extent they have health risks such as respiratory and cardiac disease; how much do they know about health scandals in China, etc.
- Health information is like a moving target, but there is a lot of capacity building in China in terms of food and drug inspection and epidemiological training, and this will help the quality of data to improve in the future.
- We have a pipeline of information that we disseminate and update in house to employees who are posted all over the world. We also have an external website. However, the reality is that despite all the information we provide, potential expatriates still reach out to us here in China, asking for individualized assessments that apply to their specific situations.

Question 5 from Leslie Yee to Tong Chen:

What can multinationals be doing so that their health and safety requirements are being met in China, particularly in remote locations?

Tong Chen, M.D.

Consulting Occupational Health Physician, IBM Greater China and ASEAN

- Today, many corporations go to remote locations in China and these second, third and fourth-tier cities have their own requirements. This is a big challenge – IBM has over 20,000 employees operating in over 60 locations – and each city has its own local policies and regulations (in addition to the central government's laws).
- We have basic global policies in which we hold safety and health to a very high standard. We try to keep our company policies more stringent, so that they meet both local and international systems and standards. Thus, within global policy areas such as emergency reform, health, or even housekeeping; we try to use the same systems in various remote locations with respect to local applications; this way we can assess gaps and address risks.
- We can then use external audits to see if rules can be standardized and if these systems can be implemented in different locations.
- At the same time, we also have limited human resources for medical personnel – so we try to build common policies such as a non-smoking policy. We use those policies as a module for education and awareness for those working in remote locations; employees there can access health education policies via the internet.

- Our challenge is to build networks in remote areas and assess if local hospital care is adequate and if it is not we can evacuate and dispatch employees to appropriate facilities within China, Taiwan or Hong Kong, if needed.
- We develop partnerships and conduct regular interaction with locals in remote areas to ensure they understand the details of international requirements.

Question 6 from Leslie Yee to Andrew Frean:

In light of your role in supporting the implementation of China's Occupational Disease Prevention and Control Law in 2002, what's your viewpoint on the status of health and safety law implementation in China? What do you see as the role of multinationals in advocating adequate health and safety laws and regulations in China?

Andrew Frean, MBBS, DPH,

Regional Health Director, Asia Pacific, BP

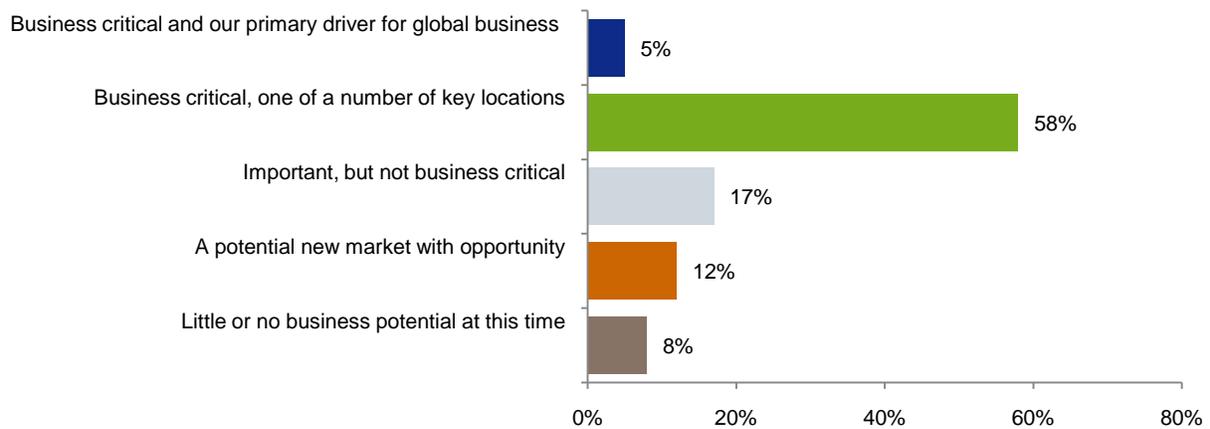
- In the last 10 years we have seen a revision of occupational health law in China. Previous data shows that occupational hazards are very prevalent, and disease rates are high, especially occupational lung disease, coal miner's lung and acute and chronic poisoning (including metal, organic solvents, gas and pesticide poisoning), across the country.
- Against this data, a landmark piece of national legislation was promulgated in 2001 – the Occupational Disease Prevention and Control Law – aimed to establish national occupational standards. This applies to all employers, and places obligations on employers to prevent occupational diseases, and requires employers to appoint externally accredited technical service agencies to conduct pre-assessments, health surveillance and monitoring. The law gives employees rights to seek diagnosis and obtain compensation.
- The legislation mandates that all occupational health and disease hazards be reported to the local public health authorities. There are penalties and liabilities for employers, including a personal liability for both executives and public health officials where employees who are under their jurisdiction breach the law.
- Workers' disability insurance is compulsory.
- Current employers accept liability for pre-existing occupational disease. Diagnosis of occupational disease is strictly regulated – diagnostic institutions and doctors must be certified by the local public health authority; 117 diagnoses are accepted (notable omission is ergonomic-related problems); three or more doctors must be involved in a diagnosis, and employers must cooperate and provide sufficient evidence.
- Occupational health surveillance standards have presented difficulties as they are very restrictive in interpretation; only an external accredited agency (mainly government health departments) can administer a diagnosis. There are only five possible recommendations that can be accepted, and occupational contraindication which requires an employee to relocate his/her job is the most problematic.
- There are limited opportunities for multinationals to participate in advocacy. Is the law on occupational health working? Multinationals and large Chinese national corporations say yes, but how it works across the industry is unknown.

For more information on this topic download the recorded version on www.internationalsos.com/newsandevents.

Webinar Poll Results

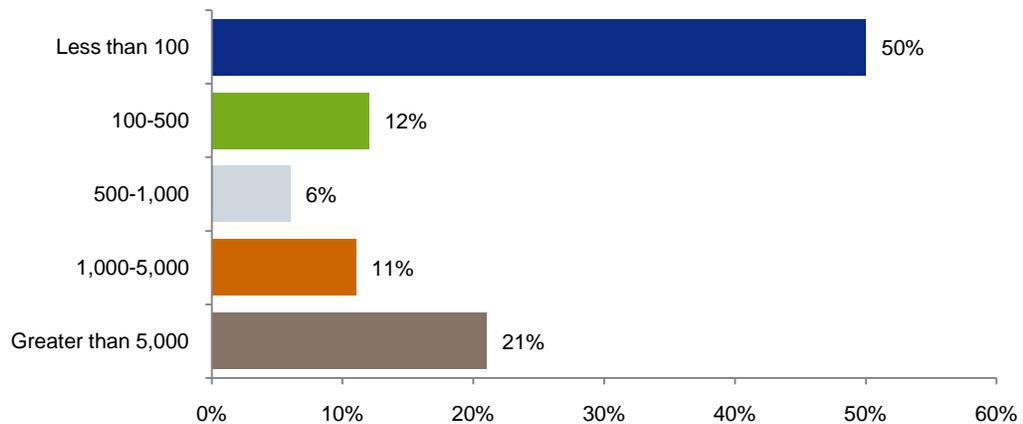
1. How does your company consider its operations in China?

(Number of respondents: 83; Number of responses: 83)



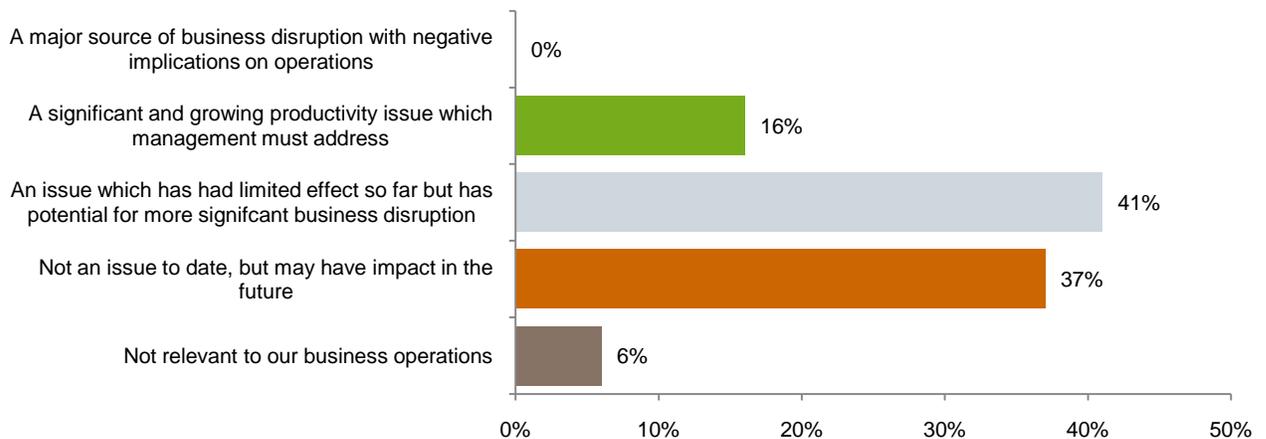
2. What is your employee population in China?

(Number of respondents: 81; Number of responses: 81)



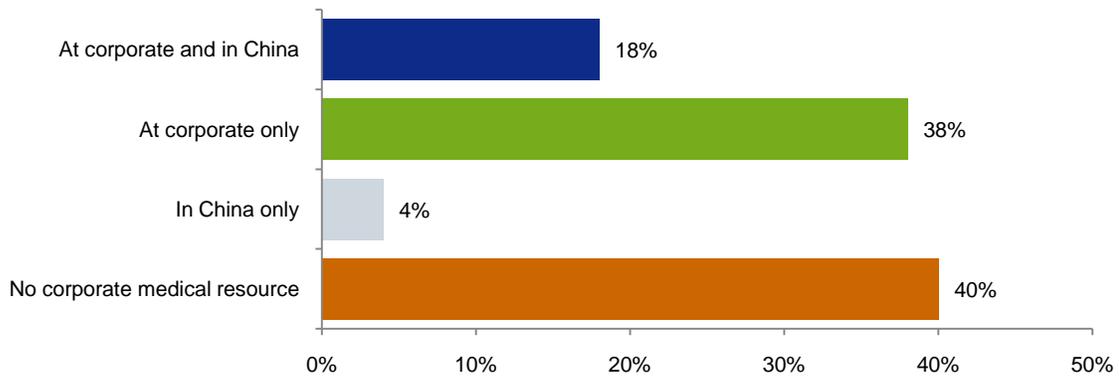
3. How would you describe the health issues in China?

(Number of respondents: 82; Number of responses: 82)



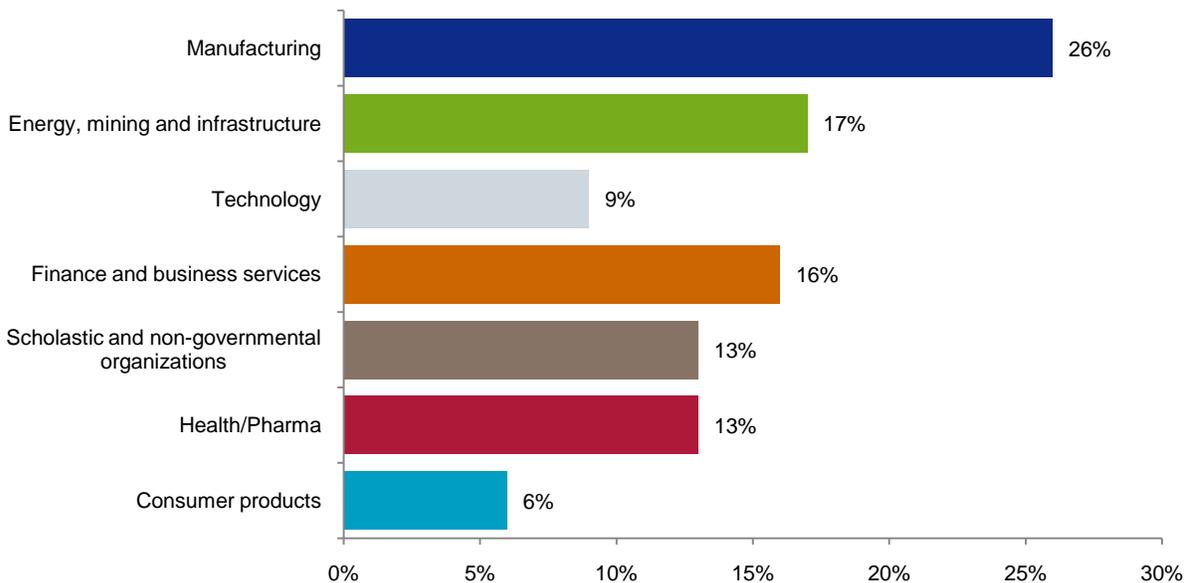
4. Does your company have a corporate medical resource (i.e. corp. med director)?

(Number of respondents: 81; Number of responses: 81)



5. Which section most closely describes your industry?

(Number of respondents: 82; Number of responses: 82)



Overview of Moderator and Panelists



Leslie M. Yee, M.D., M.P.H., President, Skylark Health Strategies, Ltd. (www.skylarkhealth.com), and Chairman, ACOEM International Section

Dr. Yee is President of Skylark Health Strategies, Ltd., which provides consulting services to Fortune 500 corporations in Health & Productivity Management, International Health, New Business Development, Occupational Medicine, and Product Stewardship. He has long championed the role of health in driving personal and business financial performance. Until 2009, he served for almost 15 years as Corporate Medical Director for the Procter & Gamble Company, a multinational manufacturing company with over \$80 billion in sales and over 138,000 employees in over 80 countries. Dr. Yee has worked for over 30 years in medical management and has had work assignments and business travel in over 30 countries, including 20 cities in BRIC countries (Brazil, Russia, India, and China).



David Christiani, M.D., M.P.H., M.S., Professor of Medicine, Harvard Medical School

David Christiani, MD, MPH, MS, is the Elkan Blout Professor of Environmental Genetics in the Departments of Environmental Health and Epidemiology at the Harvard School of Public Health, and Professor of Medicine at Harvard Medical School. Internationally, Dr. Christiani and his wide network of collaborators are studying the health effects of various environmental toxicants in China, Taiwan and Bangladesh. With his colleagues, he has developed biologic markers useful for examining pollutant-induced diseases such as lung cancer, bladder cancer, skin cancer, acute lung injury and upper-respiratory-tract inflammation. He is examining the role of genetic susceptibility in lung cancer and acute lung injury, as well as biomarkers predictive of outcome and survival for these disorders. Currently, he is conducting Genome-Wide Association Studies for these diseases.



Myles Druckman, M.D., Vice President, Medical Services, Americas Region, International SOS Assistance, Inc.

Myles Druckman, M.D. is Vice President, Medical Services for International SOS, directing the Medical Consulting Services division in the Americas. In this role, Dr. Druckman leads the development of customized corporate health solutions for multinational organizations, as well as the implementation and evaluation of the programs to ensure they meet the clients' needs. Considered a leading disease outbreak and pandemic expert, Dr. Druckman has served as a resource for international and national media such as *CBS Evening News*, *CNN*, *CNBC*, *Forbes* and *Consumer Reports* on topics such as the global management of emerging diseases, pandemic preparedness, and medical crisis management. In addition, Dr. Druckman lectures widely and publishes articles on international healthcare issues.



Harvey Zhou, M.D., China Medical Director, GE Energy

Harvey Zhou, M.D. is the Medical Director for GE Energy, China directing the implementation of corporate health promotion programs. He is also responsible for providing strategic direction for health services and leads injury and illness management to all business sites in China. Prior to this role, Dr. Zhou was the National Medical Director, Medical Services, International SOS, China. He provided consultations and training for companies and government organizations about remote site medical management and occupational health management. He was also responsible for the management of cross border projects medical / healthcare services in Africa, Middle East, and Asia.



Wayne Quillin, M.D., Regional Medical Officer, Beijing, U.S. Department of State

Wayne Quillin, M.D. is responsible for clinical care, quality assurance, and disaster preparedness for US government employees posted and traveling abroad. Prior to this role, Dr. Quillin was the Deputy Director, for the US Center for Disease Control/Central Asia Regional Program, Almaty, Kazakhstan. He managed infectious disease projects in five republics of Central Asia.



Tong Chen, M.D., Consulting Occupational Health Physician, IBM Greater China and ASEAN

Dr. Tong Chen joined IBM China in 2006 as a consulting occupational physician. He is now the manager of IBM Integrated Health Services in ASEAN & Greater China Groups. Dr. Chen received his Bachelor's degree in Medicine from Shanghai Medical University (now Fudan University, School of Medicine). After graduation, he worked as a physician in Shanghai First People's Hospital. He went to Finland in 1995 and received a Doctor's Degree in Medical Science in 2002. He worked in Helsinki University Central Hospital during 2002-2006.



Andrew Frean, MBBS, DPH, Regional Health Director, Asia Pacific, BP

Dr. Frean is the Regional Health Director for BP Asia Pacific. He graduated as Bachelor of Medicine and Bachelor of Surgery from Melbourne University, Australia. After some years in clinical practice, he completed a Diploma in Public Health (Occupational Health) at the University of Sydney and was admitted to be a Fellow of the Faculty of Occupational & Environmental Medicine and the Faculty of Public Health Medicine of the Royal Australasian College of Physicians. Dr. Frean joined BP Australia as Medical Director in 1987 and has been based in Asia since 1997. During this time, he has gained extensive experience in supporting BP's developments in the areas of oil & gas exploration and production, petrochemical manufacturing, petroleum marketing and distribution and alternative energy.

About American College of Occupational and Environmental Medicine (ACOEM)

The American College of Occupational and Environmental Medicine (ACOEM) represents more than 4,500 physicians and other health care professionals specializing in the field of occupational and environmental medicine (OEM). Founded in 1916, ACOEM is the nation's largest medical society dedicated to promoting the health of workers through preventive medicine, clinical care, research, and education.

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For more information about the American College of Occupational and Environmental Medicine, contact <http://www.acoem.org>.

About International SOS

International SOS (<http://www.internationalsos.com>) is the world's leading international healthcare, medical and security assistance, and concierge services company. Operating in over 70 countries, International SOS provides integrated medical, clinical, security, and customer care solutions to organizations with international operations. A global team of over 8,000 employees led by 970 full-time physicians and 200 security specialists provides services including planning, preventative programs, in-country expertise and emergency response to 69 percent of the Fortune Global 500 companies.