



J-M Manufacturing Co., Inc.



Internal Correspondence

To : E. Pronske

Date: October 25, 1985

From : E. E. Wang

Copies: R. Sides, C. J. Chen, W. Wang

Subject: ELIMINATION OF ANNUAL PHYSICALS AS AN EMPLOYEE BENEFIT
(in response to Mr. R. Sides' memo dated 10-23-85)

The Federal OSHA Safety and Health Standards (29 CFR 1910.1001) do indicate that every employer shall provide, or make available, annual comprehensive medical exams to each of his employees engaged in occupations exposed to airborne concentrations of asbestos fibers. In the case of PVC operations, Section 1017 of the Standards indicates that a program of medical surveillance shall be instituted for each employee exposed to vinyl chloride in excess of the action level (1.0 ppm).

Based on my understanding, sales people usually travel a lot to meet J-M customers and to promote our sales. They do not work in the processing plant. No toxic/hazardous chemicals are either handled by them or present in their workplace. Thus, sales people are generally not considered to be those employees who are "exposed" to the toxic/hazardous substances or harmful physical agent in the course of their employment. For those "non-exposed" employees, the annual physical exams are no longer regulated by the government and thus become an employee's benefit. It is then up to the company to decide whether or not it will provide such benefit to its employees.

E. E. Wang

OCT. 25 1985

D 002135

J-M Manufacturing Co., Inc.

Internal Correspondence

To : E. Pronske

Date: 10/23/51

From : R. Sides

Copies :

Subject : Elimination Annual Physicals as an Employee Benefit

J-M has made a decision to not provide an annual physical examination as an employee benefit. The company has not paid for these physicals as an employee benefit for almost a year, but persistent questions from the Territory Managers regarding this decision prompts this correspondence.

Employee physicals required by government regulations related to exposure to designated toxic substances are not be confused with annual physicals provided as an employee benefit.

The reasons the company has decided not to provide annual physicals as a benefit are easily misunderstood and even somewhat controversial; but the reasons are sound.

The idea that an annual physical is a good idea for everyone is no longer held by everyone as a fact. Medical experts such as Dr. Lester Breslow of UCLA say, "The Annual check-up is outmoded.... It was never sensible from the standpoint of human health." Charlott Crenson of Blue Cross, the largest health insurance company in the world, is more direct, "It's not only unnecessary and expensive, but by inspiring false confidence it may be harmful." There have been a number of studies that simply show that the annual check-up does not do much to contribute to employee's health.

Finally, we do provide health care benefits to employees. An employee covered by J-M's medical benefits who experiences symptoms of a health problem should be encouraged to visit a physician and have the problem checked out. Employee's who are concerned about a particular health problem that they may feel they are subject to having may have their physician screen them for that problem. The cost for these test are not great, and it may reduce the concern. If there is a problem, J-M's medical benefits will provide for the real serious expense—the treatment.

Ernie, if you have any other questions regarding this matter, or if you have a good idea for how to communicate the reasons for this decision in a more positive way to the employees, please let me know.

D 002136