

JOB RETENTION PROGRAM

Background

- ◇ Job Retention Program (JRP) started in 1994. The program provides assistance in returning permanently disabled employees to a productive alternative or modified regular position within the company.
- ◇ It was created in response to traditional thinking that budget and payroll barriers exist to returning employees to work.

Program Specifics

Under the terms of the JRP, a division or hiring department that places a qualified injured worker into a modified or alternative regular position is provided with the following incentives:

1. A percentage (66-2/3%) of the employee's salary for 12 months is paid out of the JRP, Corporate Items budget, and
 2. The employee does not count against their headcount (payroll) for two years.
- ◇ Industrially injured employees are eligible for this program if they are medically precluded from returning to their usual and customary positions or the positions held at the time of injury, whether or not "permanent and stationary," and are currently on the workers' compensation payroll or on active duty where there is a potential for a lost time case. Also any employee on the light duty payroll who becomes medically eligible can participate.

Benefits

- ◇ We have documented a steady decline in the use of the more costly Long Term Disability since we instituted these return to work programs.
- ◇ Programs are a morale boost to all employees since they see the Company is concerned with helping one of their injured coworkers.
- ◇ JRP can increase focus of employees who otherwise might be at home watching television.
- ◇ Lowers the cost of workers' compensation claims. When employees are back to work, they tend to have fewer doctor visits, consume less medication, and their permanent disability rating goes down.

- ◇ Lowers legal fees. Employees who are working are less likely to file a lawsuit when they feel the Company is doing all it can for them.