



Ship Type: All Trade Area: USA

## Bulletin 487 - 09/06 - Managing Treatment for ill or injured Crew - USA

**A disturbing trend has emerged where new companies are appearing in the maritime market as 'medical service consolidators', offering their services to ship agents and operators. These companies are taking advantage of personal injury and illness on board ships and the nature of their operations mean that ships are often faced with large and unfair charges.**

Houston Value for Money attorneys Cohen, Gorman & Putnam, L.L.P. has alerted the Association to companies in the US Gulf area marketing themselves to ship agents and operators as 'medical service consolidators'. These companies advertise they can obtain quick medical care for ill or injured seamen sending them to pre-determined hospitals, clinics and doctors for evaluation and treatment.

What goes unrecognised until it is too late is that these companies have signed contracts with the various hospitals, clinics and doctors to which they funnel patients, guaranteeing themselves a set percentage of the services charged. These contracts with the medical providers state the rates to be paid are the rates posted by the medical provider, and guarantee the medical service consolidators a percentage of the monies collected as their fee. This means medical invoices must be paid as presented with no chance of auditing. There is also an inherent conflict of interest; the more money the hospital charges and collects the more money the company makes, to the detriment of the shipowner responsible for the bills!

**Members are reminded they should alert the Club upon learning of any injury or illness which needs to be treated ashore.** The Club is happy to provide direction to the Member and their agent as to the proper contacts in these ports, and we work with various medical case managers and auditors who will ensure the crewmember receives prompt and appropriate treatment and a fair price is paid.



The cost of investigating injury claims and attending to crewmembers that are injured or fall ill during their employment continues to rise. The Club ensures that treatment and care administered to seafarers is monitored and appropriate. Charges are reviewed and significant reduction in charges are often negotiated on the basis that the charges are not reasonable and necessary when compared to the rates and fees charged for other injured or ill seafarers. Utilizing one of these new companies to handle the treatment arrangements eliminates this opportunity for cost savings and, in most instances, will very likely result in much higher expenses.

The Club's pre employment medical examination programme (PEME) is recommended to screen out crew deemed unfit for employment and thus reduce the risk of a crewmember falling ill whilst onboard. For further information on the PEME Programme please email Sophia Grant at [Peme.UKClub@Thomasmiller.com](mailto:Peme.UKClub@Thomasmiller.com)

Source of information: Karen Hildebrandt  
Thomas Miller (Americas)  
New Jersey  
+1 201 557 7425