

UK P&I CLUB 

# PEME

*Pre-Employment Medical Examination Programme  
to reduce claims, avoid delays and improve safety*



UK P&I CLUB  
IS MANAGED  
BY **THOMAS  
MILLER**

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## THE FACTS

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21

Countries

54

Approved clinics

18

Years experience

310

Thousand exams

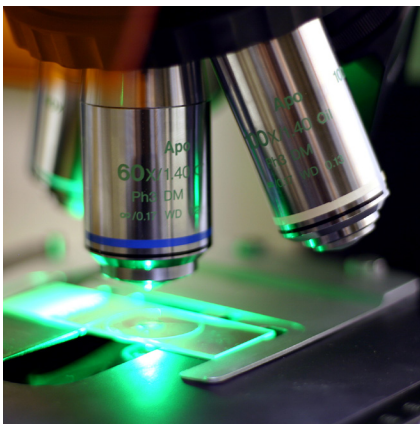
## A PROVEN SYSTEM WITH PROVEN PERFORMANCE

The Pre-Employment Medical Examination (PEME) programme is the leading loss prevention initiative within the UK P&I Club. Clinics, which are approved under the programme, are held accountable to both the Club and Members for their performance.

The scheme is designed to protect shipowners from claims arising from medical conditions existing prior to employment, and to provide crew with a first rate health check before going to sea. This programme is the most extensive and inclusive system available in the industry and has become a key element in the Club's loss prevention scheme.

### Programme history

The Club set up the Pre-Employment Medical Examination Programme in August 1996. The programme stems from the Club's Analysis of Major Claims in 1995 which identified compensation claims that were due to pre-employment medical conditions.



**Screening crew before embarkation to ensure healthiest crewmen on board.**

The Club's investigations found huge inconsistencies in the standards used by clinics for pre-employment medical examinations. Many clinics adhered to the minimum standards required by their local authorities and there was no accountability to the shipowner. Examinations were not detailed enough to screen out pre-existing medical conditions that could impact on a shipowner's liability to compensation. The Club has designed a universally accepted standard medical examination form, compliant with MLC 2006, stringently accrediting and auditing clinics to exacting criteria, and implementing a system of quality control.

Since 1996, 54 clinics in 21 countries, including an extensive network of US and Canadian clinics, have been accredited. Expansion of the clinic network is currently being considered in Europe and the Far East. Those clinics approved by the Club are fully accountable for excluding any examinee if in any doubt about fitness. The clinics liaise directly with the PEME team rather than with the manning agencies.

Information and examination results are compiled into a five page medical report. Clinics verify individual crew details before each medical examination by cross-checking against Club PEME records via the Internet to avoid possible deception by examinees.

The Club manages an online database of all its examinee medical records. This allows the PEME team to review statistics on nationality, causes of unfitness etc. Pre-employment medicals are offered to the Club's PEME standard in 21 crew supply countries. Clinic selection is driven by the geographical requirements of Members.

The PEME team regularly discusses requirements with participating shipowners and clinics. If Members have suggestions for growth of the clinic network they can contact the PEME team to discuss their requirements.

# SAVE MONEY AND REDUCE CREW ILLNESS

The Programme provides extensive money-saving opportunities and reduces the volume and frequency of crew illness claims. These claims may be above or below the Member's deductibles thus providing a saving for both the Member and Club.

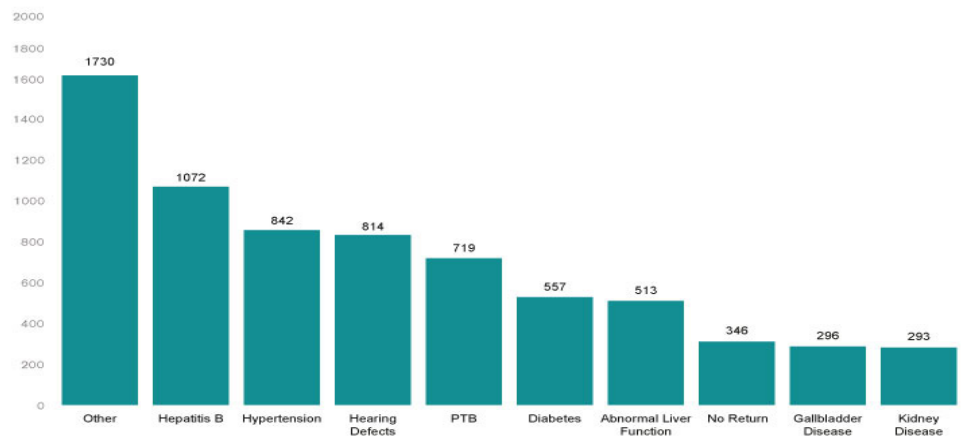
## Other features include:

- More clinics in more countries than any other scheme
- 18 successful years of experience – over 310,000 examinations completed
- 54 clinics in 21 different countries including an extensive network of US and Canadian clinics
- Club PEME Team handle all administrative duties including accreditation of new clinics, audit of existing facilities, review of clinic performance
- Independent medical audits of participating clinics
- Reduced risk to other crew members and passengers onboard a vessel
- Reduction in claims above and below the deductible
- Efficient, top-quality medical examinations (physical and mental)
- Screening of crew before employment insuring best/healthiest crewmen onboard
- Clinics fully accountable to the Club and must uphold high standards
- Most extensive and sophisticated programme in the industry (medically related scheme)
- Medical examination online authentication process.

## PEME worldwide unfitness statistics

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*Statistics as of September 2014*



# CASE STUDIES

The importance of properly conducted pre-employment medical examinations is illustrated by the following cases, which occurred outside the Club's PEME programme.

## History of alcohol abuse

"Some 10 days after joining his ship a seafarer was hospitalised in the United States, initially for an infected injury to his elbow. He developed respiratory problems and needed a tracheotomy to assist with breathing. He stayed in the US hospital for a number of weeks since he was not in a suitable condition to risk repatriation to Europe. It was also discovered that he was diabetic and had a recent history of alcohol abuse. None of these existing problems were detected during the conventional crew medical examination. When he was finally repatriated to Sweden the total net costs amounted to \$307,000."

## Advanced stomach cancer

"Following a conventional medical examination at a local clinic in his resident country a seafarer was despatched to join a ship in the Philippines. Before he had a chance to join, he had to be hospitalised for emergency medical attention due to a painful tumour in his upper abdomen. He was diagnosed as suffering from an advanced stage of stomach cancer. He died within 48 hours of repatriation to his country of origin."

## Sub-standard medicals

"A crew candidate who failed to meet the UK P&I Club PEME medical standard joined another ship after a basic Department of Health PEME. Shortly after joining the ship, they suffered a high fever and fell unconscious. The ship had to divert back to port in the United States to hospitalize the crew member. A lengthy stay in intensive care after complications caused by pre-existing diabetes and pneumonia resulted in total net costs of \$237,000."

*"None of these existing problems were detected during the conventional crew medical examination."*

## Failed to spot serious pre-existing illness

"Despite having a basic Department of Health medical a Filipino crew member was taken ashore to a local hospital emergency room complaining of severe stomach pains. Diagnosed with congestive heart failure, renal failure as well as possibly having suffered a recent heart attack, he was subsequently placed into intensive care. The diagnosis also identified he was receiving medication for pre-existing hypertension (high blood pressure). To date, this case has incurred over half a million dollars of costs including a month of intensive hospital treatment and an accompanied repatriation by air."



## FUTURE DEVELOPMENTS

The Club continually reviews the performance of PEME with its Members, identifying beneficial improvements and innovations in the medical examinations and the overall administration of PEME. For example, one Member participating in PEME wanted to know when any of his crew failed a Club medical. The PEME team modified its web based records system to alert via email each time a crewman was found unfit.

If a crewman fails their medical, the team are advised instantly and can forward that information directly to the participating Member. As the programme develops and expands, the concerns and needs of new and existing Members continues to be of the utmost importance. Good communications and enhanced working relationships with clinics and Members remains our highest priority.

## FREQUENTLY ASKED QUESTIONS

### **What sort of savings can we expect?**

The Club takes a close interest in the value of the PEME in terms of the cost of crew illness claims. Between 2005 and 2010 the average cost of Members' claims was \$12,000 per claim. An idea of the total savings can be calculated by applying the average cost to the number of seafarers prevented from joining Members' ships whilst medically unfit.

Whilst it is difficult to be specific about the monetary benefits of the Programme, the Club managers have no doubt savings are considerable. The total cost of all Club PEME examinations to date represents just a quarter of the total cost of the claims had each unfit crewmember joined the ship and subsequently been repatriated.

### **How frequently should the PEME be performed?**

The medical examination should be performed no more than two months prior to the anticipated date of joining a ship. Each certificate should be considered valid for a period of two years.

### **How frequently are the clinics audited?**

Clinics are audited on average every two to four years. Clinics in countries such as the Philippines and India, where there is a high volume of examinations being performed, are audited every two years. The audit at each clinic lasts between three and four hours and includes a review of medical records and accreditations, interviews with staff and a tour of the facilities.

### **How many PEME examinations are conducted on average each year?**

20,000 PEME examinations are performed annually by the accredited clinics.

### **For more information**

Shipowners and operators are invited to contact the PEME team to discuss their particular requirements and for information on how to join the scheme.

#### **Sophia Grant**

Email: [peme.ukclub@thomasmiller.com](mailto:peme.ukclub@thomasmiller.com)

Tel: +44 20 7204 2417

**Sophia Grant**  
PEME Programme Director



Sophia joined Thomas Miller in 1992 and from 1994 worked as a claims handler, dealing mainly with French and Spanish members. In 2004 Sophia became the PEME Programme Director.

As part of her work in the PEME Programme Sophia has under-taken a large number of clinic audits, implemented the standard medical form and clinic guidelines. She has also lead the scheme through the largest period of growth and development with a doubling of approved clinic facilities and a four fold member increase. Sophia is a Director of Thomas Miller & Co. Ltd.

## CLINICS



### **NORTH AMERICA & CANADA**

Nationwide coverage

### **INDIA**

Chennai  
Mumbai  
Goa  
New Delhi

### **AFRICA**

Johannesburg  
Cape Town  
Durban

### **EUROPE**

Dublin  
London  
Glasgow  
Dubrovnik  
Rijeka  
Split  
Zadar  
Budapest  
Barcelona  
Odessa  
Bucharest  
Constanza  
Greece

### **ASIA PACIFIC/AUSTRALIA**

Manila  
Cebu  
Bangkok  
Jakarta  
Singapore  
Davao City  
Iloilo City  
Brisbane  
Melbourne