

The purpose of this notice is to alert of a developing "claims culture" and increasing trend of Romanian and Bulgarian crewmembers threatening to seek US jurisdiction and appointing US lawyers in pursuit of compensation settlements for accidents or illnesses incurred during their employment. We would also like to give some case examples as well as our suggestions on how such claims can be managed locally in order to assist and avoid escalating costs.

As a background information, both Romania and Bulgaria have traditions in the hospitality business and schools produce a large number of hospitality/passenger service staff who, now more than ever, are looking for placement preferably in one of the big cruise lines. Neither country publishes statistics on the number of people working in the cruise industry so we would not be able to provide figures unfortunately but during the last two to three years we have noticed a large number of inflated claims and those most vigorously pursued, seem to be coming from ex-cruiser staff.

The factors in play would be that

- a) US jurisdiction forces cruise lines to take a commercial decision to settle unreasonable or even completely false claims to save themselves the expense of going to court, which in most cases will try to "punish" the party in the allegedly "stronger" position.
- b) Word of mouth amongst a large number of staff on a cruiser flies fast and every case of settlement on little or no merits is taken as a guideline for those remaining on board on the "procedures" for successfully mounting a large claim. Additionally, the winners gladly share their experience back home and their story then becomes even more popular.
- c) Cruisers are expected to produce a large number of "small" claims, so members are expected to deal with them in the first instance. On the presumption that a crewmember is being repatriated with a relatively small ailment, the matter is usually directed to the manning agents with a request to follow up, which in many cases consists of basically gathering monthly medical reports and posting them on to the owners who use this to validate a month's paycheque.

The recovery period will of course depend on the seriousness of the complaint but we have seen cases in which the crewmembers were on conservative treatment for about two years – that is two years had passed from the date of repatriation to the date when the case was referred to us. The crewmembers were simply delivering monthly medical reports in return for their pay cheque. In other cases, crewmembers have been repatriated, again with small complaints, and whilst at home receiving sick payments they found a second short term job.

In a (so far) singular, case a crewmember was repatriated with back pains and whilst being treated for it, became pregnant (a strain which further worsened the original complaint), delivered her baby and continued treatment. One can already deduce her case was a lengthy

one. At some point we were contacted to assist but the crewmember refused to appear for an independent medical assessment and appointed a US lawyer who alleged that essentially the treating doctors so far were chosen by her employers and that a mutually agreeable medical expert must be nominated in the US.

We have also seen cases of completely false claims, including forged surgery reports.

- d) On the background of the above, we have seen a developing trend resembling "ambulance chasing" and, whilst it was a novelty just five years back, we have come across advertisements addressed to "crewmembers in trouble" which offer legal services. Although this scenario is more applicable to seagoing personnel rather than cruise staff, it does demonstrate the developing claims culture in Romania and Bulgaria.
- e) An added problem is that often local medical professionals are unwilling to readily express predictions regarding the so-called MMI status – the maximum medical improvement after which any treatment is only expected to alleviate pain but not essentially improve the patient's actual physical condition. Although the local law makes provisions for establishing temporary and permanent disability, crewmembers rarely request such opinion and continue with routine/monthly examinations extending their leave long beyond the actual MMI status is reached.

We are certain that any reader dealing with crew claims will have plenty more examples of how things can and do go wrong. We believe that at least for Bulgaria and Romania if we were to be contacted early, when repatriation was considered, rather than later when a claim is imminent or has already been put forward, we could be of substantial assistance in way of:

- a) Assuring the crewmember on arrival that he is not being "abandoned". Apart from the obvious benefits of direct communication, in the cases where the crewmember has not been employed through a manning agent it will help to make it clear from the beginning that the crewmember is not left completely to his or her own devices.
- b) Being able to recommend specialists, discuss matters with the appointed doctors as the case may require, and explain the logic behind MMI status.
- c) Through follow up, being able to monitor and, to the extent possible, control costs
- d) Establish confidence/trust in the crewmember which will greatly assist when and if negotiations are to take place

- e) Ensure that there will be no conflict of interest, which in some cases arises with the involvement of manning agents. Even more so in the cases whereby PEME examinations are carried out at the expense of the crewmember at a time of shortage of qualified personnel.

We believe that the extra cost involved in the above proactive measures will be well worth incurring even if to save 10% of the manufactured claims plus the benefit of sending the right message across.

Best regards,
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