

THE COST OF HEALTH & P&I CLAIMS

A loss-prevention view of the human cost, the owner's exposure and the insurer's risk

HUMAN

OWNER

INSURER

THE PREMISE

Health is not a "crew issue". It is an enterprise risk.

A health event at sea does not stay in one box.

THE HUMAN

Pain · fear · family impact
judgement · dignity · recovery

THE OWNER

Medical care · deviation · relief crew
off-hire · disruption · reputation

THE INSURER

Claims cost · severity · reserving
loss record · premium pressure

LOSS PREVENTION

Prevent the event → reduce the human harm → protect operations → protect the risk pool

THE EVIDENCE

The claims picture is telling us something important.

>6,500

P&I claims registered by
Gard in 2025

≈47%

of all P&I claims were
people-related

>90%

of people claims involved
crew

37%

of total paid costs were
people claims

THE UNCOMFORTABLE CONCLUSION

Crew claim frequency has stabilised — but Gard's conclusion is that the industry is managing risk rather than significantly reducing it.

Loss prevention question: why do familiar patterns keep repeating?

Source: Gard Crew Claims Report 2026, pp. 4–6.

THE COST PROFILE

Frequency is not severity – and both matter.

CREW CLAIMS BY NUMBER



ILLNESS 60%

INJURY 37%

DEATH 3%

But cost tells a different story

3%

Deaths as a share of crew claims

17%

Deaths as a share of total crew-claim costs

Small frequency can still produce disproportionate severity.

For owners: frequent small claims erode OPEX and loss record.

For insurers: severe claims drive volatility and capital.

Source: Gard Crew Claims Report 2026, pp. 4–6.

THE OWNER ANGLE

The claim invoice is only the visible part of the cost.

DIRECT / INSURABLE

Medical treatment
Repatriation & travel
Disability / death compensation
Legal & claims handling

OWNER RETAINED COST

Deductible
Replacement crew
Voyage disruption / deviation
Internal management time

SECOND-ORDER COST

Off-hire / lost opportunity
Deteriorating loss record
Premium pressure
Reputation & retention

A €20,000 medical event can become a much larger operational event.

Source: Owner-cost framing from attached presentation notes; claim categories are illustrative and subject to the applicable P&I Rules and terms.

THE INSURER ANGLE

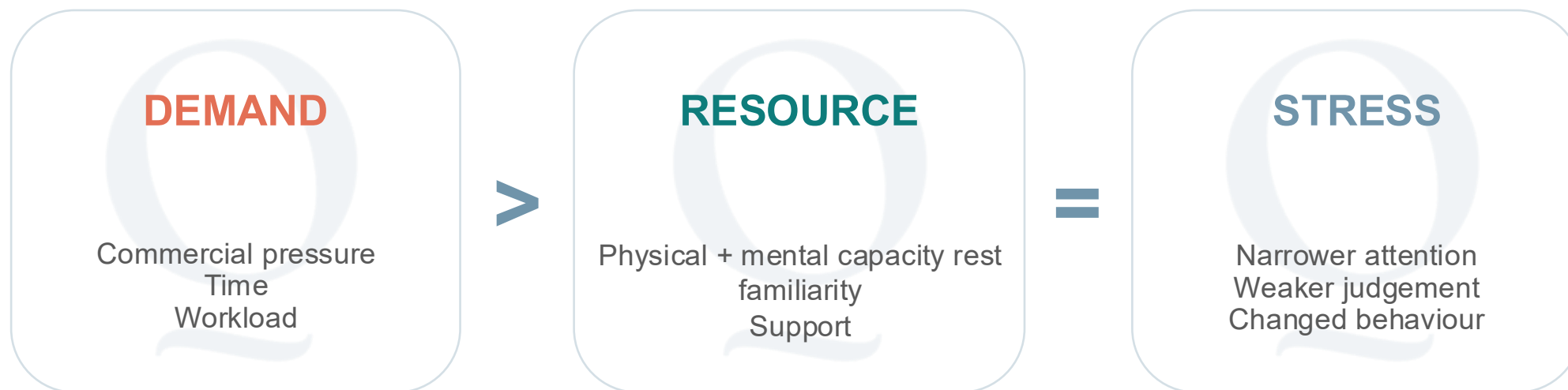
The insurer sees the claim – but also the system behind the claim.



Loss prevention turns claims data from a rear-view mirror into a forward-looking control system.

THE HUMAN FACTOR

“Human error” is a finding. It is not always an explanation.



The ship can become the point where commercial pressure finally manifests as human performance risk.

Source: Concept adapted from attached “Modern Seamanship and the Seafarer” speech.

HEALTH RISK

Illness is the largest crew-claim category.

>1,600

crew illness claims
registered in 2025

0.22

2025 illness-claim frequency
before IBNR adjustment

#1 COST

Cardiovascular disease +
cancer led illness costs

Most common ≠ most expensive

Abdominal illness is the most commonly registered ailment. Cardiovascular conditions are less frequent, but carry the highest fatality rate and, with cancer, the highest illness-claim costs.

Loss prevention implication: screening, early detection and lifestyle intervention are risk controls, not merely welfare benefits.

Source: Gard Crew Claims Report 2026, pp. 8–9.

INJURY RISK

Routine work is where the risk hides.

29%

slips, trips and falls,
the leading injury cause

66%

of reviewed injuries occurred
during scheduled maintenance

70%

Hospitalisation rate in
breakdown maintenance
cases

The paradox

We concentrate attention on emergencies, yet many injuries occur during planned, familiar, repetitive work.

Routine breeds familiarity → familiarity can reduce perceived risk → reduced perceived risk can weaken attention.

Source: Gard Crew Claims Report 2026, pp. 12–13.

FAMILIARISATION

The first month is a risk window.

>50%

of reviewed injuries
occurred within the first
three months onboard

60%

of those early injuries
occurred in the first
month

FIRST WEEK

the majority of reviewed fatal
accidents occurred within the first
week of joining

Joining a vessel is a transition event:

travel, time zones, new equipment, new routines, new people, new hazards.

Loss prevention:

treat onboarding as a critical control — not an administrative checklist.

Source: Gard Crew Claims Report 2026, p. 17.

TIME OF DAY

Humans do not perform like machines.

08:00 - 10:00

highest concentration
of injuries

Gard's fatal-accident review found all onboard fatal accidents occurred either:

23:00–04:00

07:00–11:00

Rest-hour records may be compliant and still fail to capture residual fatigue, sleep quality, circadian effects, noise and cumulative workload.

Loss prevention must manage performance variability — not assume constant alertness.

Source: Gard Crew Claims Report 2026, pp. 4, 19–20.

EXPERIENCE

Experience helps – but it does not immunise.

EXPERIENCE ≠ INVULNERABILITY

Able Seamen, Bosuns and Engineers — roles associated with substantial experience — were frequently represented in injury cases.

The task and the conditions may matter more than the seniority of the person performing it.

Countermeasure: continuous training + challenge of complacency + supervision calibrated to task risk, not rank.

Source: Gard Crew Claims Report 2026, pp. 15–16.

MENTAL HEALTH

The cost can extend far beyond the individual claim.

MENTAL HEALTH

Fatigue · stress · isolation · family pressure ·
stigma · untreated distress

HUMAN PERFORMANCE

Attention · judgement · communication ·
willingness to report error

**A mental-health problem can become an operational event —
and an operational event can become a P&I claim.**

In 2025, Gard recorded 10 confirmed crew suicides; mental-health prevention is a shared responsibility.

Source: Gard Crew Claims Report 2026, p. 21; attached notes and seamanship speech.

THE PREVENTION ARCHITECTURE

Move from reactive claims handling to a health-risk control cycle.



The control cycle belongs jointly to ship, shore management and insurer.

Prevention is not one initiative. It is a management system that closes the loop.

WHAT OWNERS CAN DO

Five controls that can change the claims trajectory.

01	Protect the first 30 days	Structured handover, fatigue-aware joining, supervisor check-ins.
02	Treat routine work as risk work	Dynamic risk assessment; refresh toolbox talks; challenge familiarity.
03	Make health visible	Enhanced medical screening, trend health data, early intervention.
04	Manage pressure ashore	Do not transfer commercial urgency to the ship without risk filters.
05	Create reporting safety	No fear for admitting error, fatigue, illness or psychological distress.

WHAT INSURERS CAN DO

Underwriting + claims + loss prevention should tell the story.

UNDERWRITING

Reward credible health and safety controls

Ask about onboarding, fatigue and health trends — not only historic loss ratio

CLAIMS

Capture richer causation data

Feed recurring patterns back quickly to Members and fleet managers

LOSS PREVENTION

Benchmark and target interventions

Focus on cardiovascular risk, routine work, familiarisation and human performance

The Club's strongest intervention may happen before the claim exists.

MEASURE WHAT MATTERS

A loss-prevention dashboard for crew health.

LEADING INDICATORS

- PEME findings / follow-up
- First-30-day incidents
- Overtime & sleep-risk flags
- Near misses / unsafe-condition reports
- Mental-health support usage

LAGGING INDICATORS

- Illness claim frequency
- Injury claim frequency
- Severity / hospitalisation
- Repatriations
- Fatalities

ECONOMIC INDICATORS

- Deductible spend
- Deviation / relief crew cost
- Lost time / off-hire
- Claims above deductible
- Renewal impact / total cost of risk

If we only measure claims, we are measuring failure after it happened.

THE SHARED OBJECTIVE

Human-centred safety is financially rational.

THE HUMAN

Fewer injuries,
less illness,
safer decisions

THE OWNER

Less disruption,
lower retained cost,
stronger performance

THE INSURER

Lower frequency and severity,
healthier risk pool

**Prevention is the one outcome where the interests of the seafarer,
the owner and the insurer are perfectly aligned.**

The question is not whether we can afford to invest in crew health.
It is whether we can afford to keep paying for the same preventable patterns.

Behind every claim there is a person.

Behind every P&I claim there is a number.

Behind that number there is a cost.

But behind that cost there is a person.

If we protect the person, we protect the operation.

If we protect the operation, we protect the owner.

And if we protect the owner, ultimately we protect the insurer as well.

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your attention!