SECRETARY OF STATES OFFICE

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Mr Lillywhite Mrchulett Mr. Brown (FAI) Mr Cashman

PRIME MINISTER

## COMPENSATION FOR HAEMOPHILIACS

In his recent minute to you the Minister for Health proposed that the Government should take a more forthcoming line on the question of haemophiliacs who had been infected with the AIDS virus by contaminated blood products. You asked that this issue should be considered by H(A).

- 2. At this morning's meeting H(A) considered a memorandum (H(A)(87) 26) by the Secretary of State for Social Services proposing that a sum of up to £10 million should be offered to the Haemophilia Society, for them to administer for the benefit of the affected haemophiliac patients. The Solicitor General advised that, provided it was done as an ex-gratia payment with a specific disclaimer of liability, this was most unlikely to jeopardise the Government's position in denying legal liability. On that advice, H(A) unanimously agreed that a more forthcoming approach should, indeed, be adopted.
- 3. The Secretary of State was therefore asked to consult urgently with the Chief Secretary, Treasury (who wished to explore how far this money might be contained within existing programmes) and was also asked to give some thought to the feasibility of adjusting his proposed definition of eligibility so as to include the few known cases of non-haemophiliacs infected with the AIDS virus by NHS treatment. Some members of H(A) wished to see these cases included, if that could be done without weakening the ring-fencing of the arrangements, which is clearly vital. The

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Secretary of State was also invited to put in hand enquiries to confirm that the Haemophilia Society would be prepared to administer the scheme in the way that was wished, and that they would not publicly criticise the amount of money being offered. Subject to these points, H(A) felt that the sooner the Secretary of State made the announcement, the better. This is certainly my view on the matter.

I am sending copies of this minute to members of H(A), the Solicitor General and Sir Robert Armstrong.

GRO-C

11 November 1987

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