

SofS
PS(PH)
PS(Q)

From: Debby Webb
Cleared: Ailsa Wight
Date: 15 December 2010
Copy: MS(CS)

PJO

Yem,

Can you let me have a
copy of the part of the
submission

MS(H)
Bill Morgan
Jenny Parsons
Una O'Brien
Sir David Nicholson
Paul Macnaught
Prof. Dame Sally Davies
Prof. David Harper
Richard Douglas
Officials - see pp. 4&5

Contaminated blood review report and decisions

Issue

1. To provide you with a draft of the review report for circulation (in its current unfinished format) to HA Committee, and to obtain your specific agreement of the outcomes.

Recommendation

2. To circulate the report to HA Committee, and comment on the draft report.

Background

3. Following Rowena Jecock's submission of 7 December 2010 (attached at **Annex A** for ease of reference), you met with PS(PH), PS(Q), and officials to discuss and agree which proposals would be taken forward. A note of that meeting and subsequent Ministerial consideration was sent on 13 December 2010.
4. Letters were sent on 10 December 2010 to the PM and HA Committee outlining your proposed action. At the time of writing, the format of the review report was still being finalised. We now need to send a copy of the draft report to HA Committee in order to obtain their clearance of the policy recommendations. Your preference is to announce your intentions to parliament before recess (potentially on 21 December 2010).

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5. We also want to take this opportunity to formally record your final decisions as some of the implementation issues were not specifically detailed in the earlier note.

Review report

6. An earlier version of draft of the report was circulated with the 7 December 2010 submission. The evidence base that informed the options and proposals has not changed and the overall conclusions presented in the submission remain.
7. The current draft of the review report is attached at **Annex B**. When circulating to HA Committee, we should impress that this is not a final version and there may be some further editorial and formatting amendments required before it is finalised for publication.
8. You are asked to note the report generally and comment on the conclusions specifically. We know that campaigners and their parliamentary supporters will scrutinise this report very carefully and we need you to be content with the conclusions as these will be what Ministers are likely to be required to defend in parliament. If this needs a major re-write, then we cannot be confident of it being ready for issue on Tuesday as it will need further legal clearance.

Review outcomes

9. You have agreed to:
 - I. Introduce a recurrent flat rate annual payment of £12,800 for each living person who is infected with hepatitis C who has developed serious liver disease, coupled with additional discretionary payments for those infected with hepatitis C and their dependants, which will be targeted at those in greatest need. These discretionary payments will also be available for individuals with chronic hepatitis C infection, but who have not developed serious liver disease; they will be eligible to receive discretionary payments, based on need. These changes will mean that the financial relief scheme for hepatitis C infection will operate on the same principle as those for HIV infection.
 - II. This new recurrent payment for hepatitis C, along with the existing payment for HIV, will be uprated annually in line with the CPI, and like the current ex-gratia payments will also

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continue to be disregarded for the purposes of calculating income tax and eligibility for calculating other state benefits.

- III. The bereaved primary dependant (for example, the spouse/partner) of individuals who were infected with hepatitis C, but who died prior to 29 August 2003, will be made eligible for Stage 1 (currently £20,000) and Stage 2 payments (currently £25,000, in addition to Stage 1), based on the existing eligibility criteria of the Skipton Fund. These are the levels of payments that their infected spouse/partner would have been eligible for, if they had they been alive on 29 August 2003.
- IV. We will make a further lump-sum payment of £25,000 for those with most serious hepatitis C-related illness, increasing the amount they receive at Stage 2 from £25,000 to £50,000. This payment reflects the fact that the medical and scientific evidence base we sought, and which forms a key basis of our review report, clearly identifies a compassionate need for additional support for those with Stage 2 (severe) hepatitis C. This payment will apply to all successful Stage 2 applications – past, current and future. We intend to accrue for as much of these payments, and those at item III, as possible in this financial year.
- V. This infected patient group (both hepatitis C and HIV) will be provided with the cost of an annual prescription season ticket (England only) so the net effect is that they will not have to pay for their prescriptions (only for those who are not otherwise exempt from these charges).
- VI. We will amend The National Assistance (Assessment of Resources) Regulations 1992, so that all ex-gratia payments to this patient group will be disregarded for the purposes of means testing for social care services.
- VII. We will in addition be seeking to provide £100,000 to selected national charities for a time limited period to provide additional access to counselling for this patient group.
10. We seek your agreement that the introduction of the recurrent flat-rate amount (at I, above) will take effect from the date of the announcement. This will mirror the introduction arrangements for

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the annual payment for HIV in 2009.

11. Verbal discussions confirmed Ministers' intentions in respect of applying the £25,000 increase to **everyone** who has been, or will be, in receipt of a Stage 2 Skipton Fund payment. We are proceeding on that basis, i.e. **all** past, current and future recipients will be eligible. Finance have agreed the funding implications for this.
12. We also want to clarify that the funding for the new discretionary Trust for hepatitis C infectees and their dependants will be in the region of £2m per annum for England. This is pulling together all the separate strands of discretionary funding for both infected individuals and dependants into one total figure.
13. You have decided not to accept the proposal of a 'bereavement grant', so we have not actioned this any further.

Media and other handling

14. We will separately liaise with COMMS colleagues to provide you with a handling package, including media handling.

Conclusion

15. You are asked to:
 - I. Circulate the report in its current draft form (at **Annex B**) to HA Committee
 - II. Comment on the report (see para 8)
 - III. Agree the points of clarification at paras 10, 11 and 12

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