

RESTRICTED - POLICY

Mr Guinness CA-OPU1-2

from: Marguerite Weatherseed
PS/PS(H)

date: 28 February 1996

copy: Mr Holden PS/SofS
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COMPENSATION FOR HAEMOPHILIACS WITH HEPATITIS C

1. Thank you for your submission of 16 February which discussed possible options for compensating those haemophiliacs who contracted hepatitis C before routine screening of blood products was introduced.
2. As I explained during our telephone conversation yesterday, PS(H) wants to consider these options carefully. He is meeting the Haemophilia Society on 6 March and would like to hear their suggestions before he starts to form any firm views. He will almost certainly want a meeting with you after that to discuss how to take this forward.
3. In the meantime, PS(H) would like to explore further the financial implications of John Marshall MP's suggestion that we should restrict payments to those who develop cirrhosis. Mr Marshall claims that the annual cost of such a scheme would not be excessive, since cases would develop over the years, rather than all at once.
4. Your submission suggested that 620 haemophiliacs would develop cirrhosis over time. An average payment of around £60k to these would amount to about £37m in total. PS(H) is keen to get an idea of the likely annual cost - in short, how many people might be expected to develop cirrhosis each year? When we discussed this briefly yesterday, you made clear that this is a complex calculation which would need to take into account a wide range of factors. PS(H) understands this and appreciates that the information cannot be provided at once. However he feels that even a rough estimate will be essential if he is to answer the points made by Mr Marshall.

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5. I would be grateful if you could take this forward. It would be helpful to have the results by Tuesday 5 March, in time for the meeting with the Haemophilia Society. However, in the light of our conversation yesterday, I realise this may not be feasible. If not, please get in touch to discuss an alternative deadline.

MM Weatherseed

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