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Miss Logan SOL C3

From: R J Moore HS1A

Date: 19 July 1988

cc. Mr M Harris HS1
Dr Pickles MED SEB
Mr Barton AIDS Unit
Mr Brown FA2B
Mr Proven SB1C
Mr Angilley HS2A

FINANCIAL HELP FOR TRANSFUSION/ORGAN RECIPIENTS WITH AIDS

1. Following Mr Harris' minute of 27 June setting out the problems of providing help for this group, Secretary of State has asked for an outline scheme to be drawn up and submitted by Thursday 21 July. He has specified those who should benefit from such a scheme.
2. I have had a first stab at an outline scheme but would particularly welcome your view on the legality/possibility of extending the terms of the Macfarlane Trust. On the clear understanding that extra funds for this new category of beneficiary would be legally required.
3. I would be grateful for comments from copy recipients by close of play 20 July. Sorry about the deadlines which are outside my control.

GRO-C

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Ext **GRO-C**

SCHEME OF FINANCIAL HELP FOR TRANSFUSION/ORGAN RECIPIENTS WITH AIDS

1. Purpose of Proposed Scheme

To provide financial help where needed to those in the categories mentioned below and their dependents.

1. UK nationals who are suffering from AIDS as a result of receiving an infected blood transfusion in the UK.
2. UK nationals who are suffering from AIDS as a result of receiving infected organs and tissues in the UK.
3. UK diplomats and civil servants who are suffering from AIDS as a result of receiving infected blood transfusions, organs or tissues whilst serving abroad.

[DN. The scheme would be limited to sufferers of AIDS itself and not extended to HIV positive patients. This is different to the Haemophiliacs scheme which does include HIV positives. The difference in approach is justified by the fact that whilst there are only 7,000 haemophiliacs, there are probably at least 3 million blood transfusion recipients. A testing programme to identify those who are HIV positive would be prohibitive. The scheme will instead react when people get AIDS].

2. Rationale

The financial help would be in the form of an ex-gratia payment in recognition of special financial need, ie not compensation.

3. Options for Payment

3.1 Direct payment from DHSS

Advantages: low key, simplicity.

Disadvantages: would involve considerable extra staff time in assessing claims; payments would be taken into account against other social security benefits; payments would be taxable; direct DHSS involvement might imply liability/compensation.

3.2 A new purpose-built charitable Trust

Advantages: would be tailor-made; payments would be tax free.

Disadvantages: would need time to set up involving Charity Commissioners; body of Trustees would need appointing; overhead costs would be higher; payments would be taken into account against social security benefits or SS regs would need to be amended to exempt payments from the new charity; might involve higher profile announcement.

[DN. Although we were able to exempt payment from the Macfarlane Trust for SS purposes, without other charities crying 'me too' it would be difficult if we were to add another 'unique' case].

3.3 Extend the Macfarlane Trust

Advantages: ready made board of Trustees with experience; overhead costs would be shared with Macfarlane Trust; payments would be tax free; payments would not be taken into account against social security benefits; could be established with low-key announcement.

Disadvantages: may not be legally possible; Trustees may not want to take on the extra work; additional specialist trustees will be needed.

- [DN. a) Legal view to be sought
b) Macfarlane Trustees view to be sought].

4. Funding

Under the options extra funds will be required. The help to haemophiliacs averaged £8,000 per person and a similar sum could be envisaged under the present scheme. We have no accurate knowledge of the numbers likely to be involved. An initial estimate suggests around 100 but this could rise over the years as more recipients given transfusions before October 1985 develop AIDS. Funds required would therefore be around £1m at present estimates. Administration costs would be around £50,000 p.a.

5. Numbers Involved

At present we know of [] potential applicants who have AIDS from UK blood transfusions and [] potential applicants who have AIDS from organ/tissue transplants. We do not of course know how many of these are in financial need and would apply for help. In the period from 1977 to October 1985 when testing for HIV in the blood supply began, some [] blood transfusions were given. We can estimate very crudely that [] patients became HIV positive and are still alive. They may become potential applicants if they develop AIDS.

6. Medical Qualification for Financial Help

The applicant would have to produce medical evidence to show

- and a) that he had a transfusion/organ transplant in the UK
b) that he now has AIDS.

Unless the doctors concerned (Regional Transfusion Directors in the case of blood) could show that the donation had definitely not been infected, the applicant would need to be given the benefit of any doubt that his AIDS was caused by the medical treatment.

7. Launch of the new Scheme

It will be essential to launch the scheme in a low-key manner so as not to impugn the safety of the overwhelming majority of blood transfusions and organ transplants.