

5/104
Mr McKeon PS SofS

From: Strachan Heppell PG
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cc: Mr Davey PS MS(H)
Mrs Kirk PS PS(H)
Mrs Baldock PS PS(L)
Mrs Keswick Sp.Advsr
Miss Gwynn PS Perm Sec
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Miss Pease HS
Mr Dobson HS1
Mr Barton AIDS Unit
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Dr Pickles AIDS Unit
Mr Kendall FA

HAEMOPHILIACS WITH AIDS/HIV

This is a short note designed to act as an agenda for tomorrow morning's meeting with Secretary of State. It reflects discussion between MS(H) and myself in the light of our meeting this afternoon with Mr Robert Keys MP, who is also a Vice President of the Haemophilia Society.

2. MS(H)'s aim is to identify proposals which:-

- * sufficiently meet the aspirations of the Haemophilia Society so that they are prepared to recommend their members not to proceed with the legal action.
- * are accepted by the public, and if possible the campaigners, as being an adequate response to the situation of haemophiliacs with AIDS/HIV.
- * do not set any unacceptable precedents for the future eg by implying NHS liability for treatment which reflects the best available medical information at the time but turns out later to be wrong or accepting a duty of care for the approval of particular new drugs.

3. On this basis, the following proposals might fit the bill:-

First, increasing the Macfarlane Trust funds by 2¹/₂ or 3 times to £25 or £30m over the next 3-4 years - say another £5m this year, and £5m in each of the next 2 or 3 years. This would give each family roughly £25,000,

about the average German and Danish figure. Mr Keys thinks this might be enough although he thinks £40-£50m has a better chance of success and starting off thinking in terms of £100m. The Society would like to settle out of court for £75,000 a family, he said.

Second, quantifying and making public (possibly through a PQ from Mr Keys) the average value per family of social support on top of any help from the Macfarlane Trust. This would cover social security and social services but probably not health care.

Third, explaining to the Haemophilia Society (as we have already done to Mr Keys) the strain that a court case is bound to put on the families concerned and that the Government cannot give way on the principle of liability.

4. On the finance front:

- * there is no obvious money in our kitty for this year (except about £350,000 in the AIDS kitty) but we will need to go through the budgets in more detail.
- * Treasury are likely to resist to any further claim on the Contingency Reserve. The original £10m came from the reserve.
- * we could find the money in future years by top slicing the HCHS programme. But of course top slicing is never popular with the Service.

5. Timing is of the essence. There is an adjournment debate (Mr Patrick Cormack) next Monday. And the judge is seeing the families (Mr Keys says) on 6 December for a first hearing.

GRO-C

STRACHAN HEPPELL