

3/57

(Mr M A Harris

COMPENSATION FOR ~~HE~~AMOPHILIACS INFECTED WITH AIDS

I am replying to your minute of 13 January.

2. You can expect strong Treasury objections to any suggestion that a special compensation scheme should be set up for ~~he~~amophiliacs because of repercussions for other medical accidents. The Treasury have given approval to medical compensation arrangements in very restricted circumstances. This is where the medical risk is assessed as being so slight that it virtually does not exist and where there is a special motive. An example of the latter has been the Treasury's recent approval for compensation arrangements in respect of clinical trials on a new whooping cough vaccine at the PHLSB. This was agreed on the grounds that it was desirable to encourage the proposed clinical trials and the risk involved was considered to be negligible.

3. It may be helpful if your submission refers to the general compensation arrangements that exist for health authorities. These provide that health authorities have delegated power to pay up to £100,000 plus the legal costs of the complainant for compensation payments. Such payments may arise from a court award or from an out of court settlement where legal opinion suggests that a health authority's case is weak. Above £100,000 the authority would have to obtain Treasury approval (via the Department) for such payments.

GRO-C

15 January 1987

cc Dr Smithies
Mr Barton
Mr Hagger
Mr Knight
Mr Chinque
Dr Moore
Mr R Brown FA1B

R F TOOHER
FA1B
FRH 634
EXT **GRO-C**

Bf 30/1