

John Reid

From: Melanie Johnson

Date: 3 December 2003

Hepatitis C payments scheme

1. I have met with Michael Connarty and the Haemophilia Society who have three major concerns about the proposed scheme;
 - (i) no payments to dependants of those who have died prior to the announcement of the scheme;
 - (ii) no payments to those co-infected with HIV
 - (iii) no payments to those who cleared the hepatitis C virus (HCV) following treatment.
2. Having asked officials to go back to the original figures I have discovered that we can fulfil two of these criteria without adding to our estimated costs (groups (ii) and (iii) were considered in the original estimates). Payments for dependants of those who have already died would cost a further minimum of £144m.
3. Are you content for me to talk to the devolved administrations about including these 2 groups in the scheme when we announce the details? My understanding is that they will be supportive and be able to do this. This would have the added benefit of precluding us from setting up a new trust to administer the scheme as The Macfarlane Trust (who already administer the HIV scheme for haemophiliacs) have agreed to administer this scheme if we include co-infectants.
4. The cost of including dependants in the scheme is prohibitively expensive so I suggest no concession here, however if we are seen to bend a little I hope that we can encourage the haemophilia community that we have seriously considered their concerns, without that we are likely to come under considerable further pressure about the scheme.
5. You will also want to be aware that since meeting me Michael Connarty has written to you requesting to meet before the announcement of the scheme. With your agreement I propose to write to Michael in response saying that I don't feel that a further meeting at this stage is necessary but ensuring him that we are keen to announce the scheme as soon as we are able and that we are

considering the points he made in our meeting very carefully. I attach a draft letter to Michael at Annex C.

Melanie