From the Parliamentary Under Secretary of State for Public Health
Melanie Johnson MP

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25 March 2004

Mr Roddy Morrison
Chairman, Haemophilia Society
Chesterfield House, 385 Euston Road,
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copied to Trustees
Services Team
KP

Dear Mr. Morrison,

Thank you for your letter of 4 December to Tony Blair regarding the ex gratia payment scheme for people inadvertently infected with hepatitis C. I apologise for the delay in replying.

In your letter you express disappointment that the payment scheme has not been extended to dependants of those who have died following inadvertent infection with hepatitis C. The announcement of a scheme on 29 August 2003 occurred after the Secretary of State had revisited this issue, and heralded the introduction of a scheme from that date. The difficult decision not to extend the scheme to people who had died before this date meant that it became an unavoidable cut-off point. We realise that these circumstances are not ideal, but have attempted to provide a pragmatic solution.

I think it is important to stress that the underlying principle of the payments is that they should be targeted to help alleviate the suffering of people living with the virus. The payments are not designed to compensate for bereavement, although I fully appreciate the hardship and pain experienced by families who cared for loved ones before they died. I realise that this is little consolation, but hope that you can understand that the health care budget is not unlimited and that our priority has always been to get financial assistance to those with the greatest need.

With regards to your assumption that those who have cleared the virus following treatment will only receive £5,000, I am pleased to inform you that this is not in fact the case. This group will be entitled to exactly the same scale of payments as those who have not cleared the virus, including eligibility for the second payment in the unlikely event that the virus should return.

I believe that the scheme strikes the right balance and ensures that we are able to make value for money payments while not adversely affecting the rest of the health service. The payments are fair and reasonable and I hope that they will go some way to help improve the lives of those who have been inadvertently infected.

You mention that the payments do not match those recommended by the Lord Ross expert group and those made by your own organisation. Although these were considered during our deliberations, unfortunately it has not been possible to meet their recommendations on payment levels for the scheme. These recommendations were made without prior knowledge of the pressures on the health budget, and we have had to weigh the issue of making payments against all the other demands.

In addition, I think it is important to make a distinction between the Skipton Fund and compensation schemes in other countries. The awards being made in, for example the Republic of Ireland and Canada, follow public inquires and criminal charges which established that wrongful practices were employed. The payment structures of these schemes are therefore based on claims for punitive damages. We do not acknowledge any such wrongful doing in England so it is unfair to compare these schemes.

I would like to take this opportunity to thank you for raising your concerns and reassure you that my officials will continue to seek the Haemophilia's Society advice on aspects of the scheme, for example the application process which we want to ensure is as user-friendly as possible. I understand that your medical representatives are also involved in the design of non-invasive tests to determine eligibility for the second payment and am grateful too for their work in this important area.

Yours sincerely,

GRO-C

MELANIE JOHNSON