

Your Reference:

Our Reference: RA/sjad

Please ask for: Dr Richard Alderslade (Extn GRO-C)

Fax No. GRO-C

Dr J Metters
Deputy Chief Medical Officer
Department of Health
Portland Court
LONDON
SW1A 2NS

9th March 1992

GRO-C

GRO-C

30/3

*recd on 30/March
- wrong address!*

Dear Sir,

Blood Transfusion Services
Contracting Difficulties with BPL

Within Trent we have established a Board, at arms length from the RHA, to effect the strategic management of our Blood Transfusion Service. The Board is chaired by Mr David Bertram, a non-executive member of the RHA.

I am writing now with the knowledge of the Board to express our continuing deep concern at the current contractual stance of the BPL. I know that you are aware of the primary issue, hence I will not labour it. Put simply BPL remain unable or unwilling to enter into any contract with our BTS for the supply of plasma that is recognizable as sensibly commercial. There is an ever widening gap between our BTS's costs in producing plasma for fractionation and the corresponding reimbursement from BPL. Indeed we understand that the price paid by BPL has been frozen for the past 2 years and will remain frozen in the next financial year without even an element of inflation, whilst our own BTS's production costs most certainly have risen.

An ordinary commercial response to this situation would of course be to stop supplying BPL. Given the national policy of self-sufficiency this we believe would not at the moment be an appropriate response. Similarly national policy prohibits the supply of plasma elsewhere than to BPL. The consequence of these conflicting policy objectives/constraints is to make extremely difficult the proper commercial management of the BTS. In addition the RHA itself is perforce subsidising the shortfall in the price for plasma paid by the BPL, to the tune of £1.2m in 1991/92, with similar demands for 92/93.

*Dr Butlerford
Please leave with Dr Rejman
and draft reply. Penny
on NHS A -*

Dr Rejman / Mr Conavan

*Grateful for advice/
draft, pl.*

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O-C 31/3/92

This situation is totally unacceptable long term, and it is the RHA's intention to progressively withdraw this subsidy. Both the RHA and the Trent BTS Board would be most interested in the Departments policy intentions, designed to resolve this outstandingly unsatisfactory position.

Yours sincerely

GRO-C

DR RICHARD ALDERSLADE
REGIONAL DIRECTOR OF PUBLIC HEALTH
