

RSL/AH

16th June 1981.

Dr. H.H. Gunson,
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Manchester.

Dear Harold,

I have read the preliminary report by the Working Party to Advise on Plasma Supplies for Self-sufficiency in Blood Products, and have the following comments to make which I should like to see tabled at the next meeting of the Advisory Committee for NBS.

1. I do not accept the costing of whole blood production as it was set out by Dr. Jenkins relating to the use of blood in his region. Dr. Jenkins knew that I never agreed with the approach and we agreed to differ. The main aim of this broad costing exercise was to encourage and make attractive to clinicians the use of concentrated red cells in preference to whole blood. Thus the price for concentrated red cells was initially fixed at a purely arbitrarily low level: all other costings made followed on from this basic artefact. I think it is unfortunate that this document is becoming accepted as an "approved" authoritative view. The situation merely underlines the general lack of industrially-based costing information on plasma produced from whole blood collection within NBS. The working party should strongly advise that an outside body of industrial cost accountants is taken to a suitable regional service to assess the operations of an RTC.

2. The costs of plasma collection are set out in the paper as they relate to plasma from whole blood and plasma collected by various forms of plasmapheresis. The paper shows that plasma obtained from whole blood is less expensive than that obtained by plasmapheresis and this is almost certainly true but only remains so whilst the cellular elements of whole blood are required for therapeutic use. Once whole blood is collected solely for plasma, the cost centres become reorganised in a manner unfavourable to plasma collected in this way. It could be argued already that, since at least 300,000 donations of red cells are not used per annum, the cost centres have already begun to shift on to plasma supply obtained from whole blood. Certainly, the value ascribed to the units of red cells not used has got to be dissipated somewhere in the system of overall costing.

The working party show that even using plasma collected by plasmapheresis, the value of factor VIII and albumin retrieval more than accommodates the costs of plasma and its fractionation: this is particularly true if the fractionation laboratory can capitalise on the sale of unwanted intermediates (e.g. Cohn fraction II + III).

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Politically, however, the service could arrive at a point where it has a large fractionation resource but not enough plasma because that plasma is too expensive to collect or, where it cannot get an adequate fractionation resource, because initial considerations indicate that the money will not be available for plasma collection.

The alternative is to increase the size of the laboratory and to buy plasma collected by plasmapheresis in the United States. Such plasma can be bought at a top price of \$42 per kg, i.e. at a lower price than anything we can do. The purchase of 250,000 kg could cost approximately \$10M, i.e. £5M. From this plasma, obtaining one vial of factor VIII per kg would provide more than £5M worth of factor VIII alone and the resultant albumin would be free; alternatively, albumin would be priced at between £12.50 and £15 a container and factor VIII would be manufactured at 5p per unit.

Unless the NHS produce the plasma, the NHS will buy the blood products starting out as United States plasmapheresed donor plasma. The risks of using US plasma are inherent in the plasma and in the final product to the same extent. However, it would be argued that control over fractionation in the UK would provide a better measure of assurance than by leaving fractionation to US laboratories. Equally, by buying the plasma, NHS could make profitable use of the bulk intermediates which otherwise it never sees.

The Advisory Committee must be sufficiently hard-headed to see that the purchase of plasma is not unrealistic. The authorities will eventually have to decide whether the additional safety and control and benefits to the NHS that accrue from plasma collection within the NHS are worth the additional cost. Certainly there are no ultimate savings since we either buy plasma or we buy finished products.

Yours sincerely,

R. S. LANE.

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