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GRO-C

OXFORDSHIRE AREA HEALTH AUTHORITY (TEACHING)

Dept. of Pathology
The Radcliffe Infirmary,
Oxford OX2 6HE.
4th July, 1977

Our Ref:
Your Ref:

Dr C. Rizza,
Haemophilia Centre,
The Churchill Hospital,
Headington,
Oxford.

Dear Dr Rizza,

There is once again a good deal of correspondence circulating about your Factor VIII. As Chairman of M.S.C. and a member of A.M.T., I am inevitably involved in discussion about its cost and I feel that it is worth writing to you direct.

Everyone is glad for your patients to have the best treatment available. We also know that your centre provides a supra-Regional service and that part of the cost of Factor VIII is paid for by a Regional allocation. However, times are harder for the N.H.S., and particularly for Oxford, than they have ever been. Without reduction of service there would be an overspending on the Area budget forecast as £750,000 this year and Region is also in an overspending situation.

Some doctors take the attitude that they must continue perfect service and overspend if necessary in the process. This is a tempting theory but it will not work since over-spending is now carried forward to the following year and matters will only become progressively worse. Of course there is reluctance to restrict your freedom of use of Factor VIII more than has already been done but I sincerely hope that you will not only keep within the maximal allocation for the year but do everything you possibly can to keep well below it.

When I speak of maximal allocation, the decision made was that your service should be restricted to a maximum level not higher than last year. Consequently, any benefit from increased local production and a falling price would reduce expenditure, not allow expansion of activity. I understand that the current lower unit price has to some extent been cancelled out at present by use of containers with more units, involving some wastage. I hope you agree that this is little short of criminal with such costly material. I have approached Ian Simpson about this and hope you will collaborate with him in inducing the manufacturers to supply the most economical packs as soon as possible.

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The control of expenditure on drugs and allied substances is far from easy and always raises arguments about restriction of clinical freedom but I do very much want you to see this matter in perspective. The allocation for all major medical and surgical equipment for the year is £20,000. This will not begin to cover essential replacement of broken-down items and the service and patients will suffer. If you can reduce your costs, a little money will be available for redeployment to such deserving causes.

I hope that the need for economy, not for the benefit of the Government or the tax payer but in the interests of other patients, will influence you and that you will reduce the use of Factor VIII from ideal to absolutely essential levels without any further restriction being imposed by others. No blame lies with you that treatment of haemophilia is expensive but your colleagues cannot avoid expressing some resentment when their legitimate and often very small needs are refused for lack of funds while your expenditure is so enormous.

Yours sincerely,

GRO-C

R. H. Cowdell, D.M., F.R.C.Path.,
Consultant Pathologist