

**NOTE OF MEETING HELD ON 9 DECEMBER IN ST ANDREWS HOUSE
BETWEEN THE MINISTER FOR HEALTH AND COMMUNITY CARE, ABI,
CML AND PATIENT GROUPS TO DISCUSS PROVISION OF FINANCIAL
SERVICES FOR PEOPLE INFECTED WITH HEPATITIS C**

In attendance:

Mr Malcolm Chisholm, Minister for Health and Community Care
Dr Aileen Keel, Deputy Chief Medical Officer, SE Health Department
Mr Andrew Macleod, Head of Health Planning and Quality Division
Mrs Sandra Falconer, Health Planning and Quality Division

Mr Graham Spittles, Chairman of the ABI Medical and Underwriting Committee,
Royal Sun Alliance
Mr Graham Waddell, Vice-Chairman CML Scotland, Nationwide Building Society

Mr Philip Dolan, Scottish Haemophilia Groups Forum
Mr **GRO-A** Scottish Hepatitis C Group

1. Introduction

Mr Chisholm welcomed Mr Waddell and Mr Spittles, representatives from the financial services sector, and Philip Dolan and **GRO-A** representing people infected with Hepatitis C. He hoped the meeting would provide a positive and fruitful discussion.

2. Background

The Minister explained that the Scottish Executive was keen to find ways to support those who were suffering long-term harm as a result of their infection with Hepatitis C. The Scottish Parliamentary Committee on Health and Community Care had recently provided a report on the situation of patients who had been infected with Hepatitis C as a result of receiving blood from the NHS. The report identified difficulty in obtaining financial services – particularly insurance and mortgages – as being a major area where all people suffering from Hepatitis C were disadvantaged. The Executive wanted to explore with the financial services sector whether there were ways in which this might be overcome.

Mr Chisholm recognised that companies were operating in a commercial market, and were entitled to assess risks and offer products accordingly – but felt that some changes might be possible that would improve the situation for the customer without detriment to the financial service provider.

The Minister pointed out that Hepatitis C was a complex condition and that he would like to explore information on which the assessment of risk was based and the sorts of products that could be made available and limitations that would apply. Clearly mortgages were a particular issue, but there were a range of other areas where access to financial services was important to people.

He suggested that it would also be helpful to discuss ways in which to improve the information that was available – both to individuals (on what products were available and on what terms) and for providers (on the way Hepatitis C manifests itself and on the way it was transmitted).

Mr Chisholm emphasised the importance of ensuring individuals were treated on an equal basis with other customers as there had been suggestions of discrimination/misunderstanding among financial services staff dealing with people with Hepatitis C.

3. Discussion

The Minister invited **GRO-A** and Philip Dolan to comment on the experiences of their members.

GRO-A explained that the Scottish Hepatitis C Group was a small organisation and had difficulty collecting hard evidence but he indicated that people regularly phoned to say they had been refused insurance, mortgages and pension. He also advised that recent Discrimination Hearings had revealed worrying issues surrounding employment, stigma, mortgage, insurance, and the vigorous questioning of partners of people infected with Hepatitis C.

He had heard on BBC Radio Scotland about the screening for the breast cancer gene and the programme had suggested that the ABI would not pursue this for claims up to £300,000. He asked whether insurers would consider giving similar protection to people with Hepatitis C and whether consideration was given to other life styles such as that of heavy smokers.

Philip Dolan explained that people with Haemophilia, a genetic disorder, wanted to lead a normal life but that reasonable insurance rates were not available until the '80s. Then came HIV, HCV and now the theoretical risk of vCJD through blood and blood products. He offered the following underwriter scenario as an example of what was being experienced:

- 25 year-old non-haemophiliac offered insurance;
- 25 year-old with haemophilia offered insurance but with some reservations;
- 25 year-old haemophiliac with HIV deferred for five years then consider;
- 25 year-old haemophiliac with HIV and HCV declined insurance.

Graham Spittles, explained that under the Genetic Code of Practice, ABI would not ask for genetic testing for claims of up to £500k for life insurance. He added that the Disability Discrimination Act did not permit arbitrary underwriting and stressed that any additional loading would be supported by medical evidence.

Graham Waddell, reported that the vast majority of CML members who responded to a request for feedback had indicated that no health questions were asked of mortgage applicants. Not all members had responded but 50% of those who had said that they would recommend but would not insist on life insurance. He was of the view that there were sufficient lenders around to provide mortgage facilities to those affected by Hepatitis C.

Both Philip Dolan and **GRO-A** indicated that this was not their experience and on most occasions refusals were not put in writing. There were instances where existing mortgage holders were unable to meet the payments because of their infection with Hepatitis C. Philip Dolan considered that haemophiliacs who were infected with the virus through NHS treatment should be treated in a similar fashion to staff in the medical profession infected with HIV through work. He asked whether statistics were used and if the loading related to the number of deaths.

Graham Spittles confirmed that the Actuaries kept abreast of developments in terms of the information used to determine the loading on policies. He advised that in some cases applicants could opt to pay for a Waiver of Contribution Benefit whereby the insurance company would pay in the event of unemployment, illness etc.

He responded to **GRO-A** question on whether applicants were always asked about HIV and HCV by indicating that this was covered in general questions and insurance companies would therefore be reminded that this should not be asked specifically.

Malcolm Chisholm asked whether comparable illnesses attracted the same loading and whether these also applied to patients who had cleared the virus. Graham Spittles replied that this would be difficult to identify but that medical reports were always taken into account. He passed a paper on the average loading for applicants for Hepatitis C to the Minister for information. He acknowledged that it did not have details of the most recent treatment.

Philip Dolan raised the point that whether the question was there or not the applicant was obliged to declare their medical status or the insurance would be void. Graham Spittles advised that the companies do not check or verify the details up to a specific limit. He also advised that talks were ongoing with the FSA surrounding the issue of non-disclosure of haemophilia where currently the contract would be void irrespective of the cause of death.

GRO-A cited himself as an example of someone who although infected with Hepatitis C led a much healthier lifestyle than many others of a similar age who were not infected and would be given insurance on more reasonable terms. He asked whether life cover for a certain amount might be given to people in his situation or indeed in holiday insurance might be provided on the basis that only non-HCV related matters are covered. Graham Spittles acknowledged that **GRO-A** would be accepted but a loaded premium would still apply. He pointed out that the top limit benefit would be determined by the ability to pay the premium. He suggested speaking to the FSA ombudsman about holiday insurance as there were very few exclusions on health issues.

Philip Dolan considered that there was still discrimination against those that were less healthy and less able to pay. Graham Spittles was aware of one incidence of someone else paying the additional premium for a client and this was in the case of a Ministry of Defence employee.

Graham Waddell explained that the mortgage industry was not a complicated industry but that it relied on good advisers. There had been lots of adverse publicity surrounding endowment mortgages, which always required some kind of life cover.

More recently there has been a return to repayment mortgages for which no life cover is required.

Philip Dolan read out an extract from a letter, which had been submitted to the department by one of his members in 1999, as evidence of the difficulties he was experiencing since his infection with the virus. He indicated that the age of those affected ranged from 16 years and upwards. He considered that people automatically made judgements on how someone had been infected with Hepatitis C and that there was a general lack of understanding about the disease and how it is transmitted. Often people assumed the infection had been caused through drug abuse and this came through in their attitude.

Dr Aileen Keel asked whether the assessment took account of whether the person had cleared the virus or was the question of diagnosis asked each time. Graham Spittles replied that the medical report would contain the information on the status of the infection and this should not therefore be a problem.

In response to Andrew Macleod request for clarification on the mechanism used for the calculation of the loading on the premiums, Graham Spittles explained that the Continuing Mortality Indicators (CMI) were used by the Institute of Actuaries and were continually monitored.

GRO-A suggested that some kind of joint statement by the ABI/CML setting out his position would be helpful to those affected.

Graham Waddell pointed out that in the same way that motor insurance premiums would vary from person to person so would mortgage products. The difficulties with the mortgage industry were different to those of the insurance industry as overall no health questions were asked.

Graham Spittles advised that the British Diabetic Association had set up a call centre to give advice on availability and product prices. A survey had shown that life insurance is refused in less than 0.5% of cases with 95% were accepted at a standard rate premium.

4. Way Forward

Malcolm Chisholm asked Graham Spittles and Graham Waddell how they felt about making a factsheet available.

Graham Spittles agreed to discuss this with the ABI and indicated that he would make a strong recommendation that companies remove the question relating to Hepatitis C. He advised that the ABI was already working with the Terence Higgins Trust on HIV/AIDS. He would also link in with the Society of Actuaries.

ACTION GRAHAM SPITTLES

GRO-A considered that the meeting had been useful and that it had dispelled a few myths. Both Graham Spittles and Graham Waddell gave contact details and indicated

that they would be happy to answer any further questions Philip Dolan and [GRO-A] might want to discuss with them at a later date.

Philip Dolan still had concerns and was of the view that the discrimination would remain. Graham Spittles was confident some progress could be made.

Andrew Macleod asked whether it would be appropriate to include information on where advice could be obtained.

Graham Spittles did not consider this as a matter for the insurers. He did make reference to developments he was involved in with Edinburgh University on the benefits of life insurance and a proposal for the setting up of a Special Risk Bureau. This was at a very early stage but would provide advice via a call centre. He also advised that under the Data Protection Act individuals were at liberty to ask the company for details held on their file.

Malcolm Chisholm thanked everyone for attending the meeting and indicated that he looked forward to receiving advice from Graham Spittles on the proposal for a factsheet in due course.

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11 December 2002