

POLICY IN CONFIDENCE

Mr Phillips PS SofS

From: Strachan Heppell HSSG
Date: 29 November 1991

cc: Mr Sands PS MS(H)
Mr Armstrong PS PS(H)
Ms Burnett PS PS(L)
Ms Wright PS Perm Sec
Dr Nicholas PS CMO
Ms White PS CE
Dr Abrams DCMO
Dr Metters DCMO
Ms Campey Sp. Adviser
Mrs Firth FA
Ms Stuart FB
Mr Canavan EHF1

BLOOD TRANSFUSION ETC PATIENTS WITH HIV

I attach a draft letter to the Chief Secretary on the lines we discussed. It offers a one third contribution to the cost on the basis we might have to go to one half.

2. Secretary of State will want to reflect on the financial and policy aspects of the letter before he writes.
3. On finances, the position is that we have already absorbed an extra £3 million for the haemophiliacs as a consequence of higher costs and numbers than expected. Nevertheless we can make some further contribution if that is what Secretary of State judges necessary to resolve the matter. There is inevitably some uncertainty about the final outturn this year but £6 million can be guaranteed if Secretary of State is prepared to accept that this will use up all his personal fund.
4. We must also assume that Treasury would not entertain any further bids on the Reserve for additional cases.
5. On policy, this extension of eligibility will leave us with a less secure ringfence than for haemophiliacs. We believe that two groups of people, those infected with hepatitis and those treated with human growth hormone, are currently preparing legal action against the Department. Both groups will be able to argue that like the HIV cases they were entitled to expect safe treatment. And the hepatitis cases will also be able to point to infection through blood. So we will be more vulnerable than we now are on the no-fault compensation issue.

GRO-C

STRACHAN HEPPELL

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