

Friday 23rd January 2004

DETAILS OF HEPATITIS C EX-GRATIA PAYMENT SCHEME ANNOUNCED

Health Secretary John Reid today announced a **scheme** by which, people infected with Hepatitis C from NHS blood or blood products will be eligible to receive **ex-gratia** payments from the Department of Health.

Every person in the UK who was alive on the 29 August 2003 and whose Hepatitis C infection is found to be attributable to NHS treatment with blood or blood products before September 1991 will be eligible for the payments.

The **ex-gratia payment scheme** means that:

- people infected with Hepatitis C will receive initial lump sum payments of £20,000.
- those developing more advanced stages of the illness - such as cirrhosis or liver cancer - will get a further £25,000; and
- people who contracted Hepatitis C through someone infected with the disease will also qualify for payment

Mr Reid said:

"I'm pleased to be able to announce the details of this **scheme** today.

"I felt it was important that English Hepatitis C patients should receive these payments on compassionate grounds. It's clear that providing assistance is the right thing to do.

"I believe that these are fair and reasonable payments and I hope that they will help alleviate some of the problems people who have been affected in this way are experiencing. I'm also glad that people who receive awards from the **scheme** won't have the worry

of losing their social security benefits as a result."

In addition to people currently infected with Hepatitis C the **scheme** will also include people who have cleared the virus as a result of treatment. Those infected as a result of the virus being transmitted from someone who was infected from blood or blood products will also be eligible to receive **payment** as will people who were infected with HIV as well as Hepatitis C.

The Department is currently setting up the independent body that will administer the **scheme** and arranging for the necessary benefit legislation to be amended. It is hoped that the **scheme** will start operating in April this year. Payments to eligible claimants will follow soon after that.

The Health Secretary said:

"We have ensured throughout our negotiations that the **scheme** would be easily accessible for eligible patients. It's important that people making a claim are not going to be bogged down with bureaucracy.

"We are pressing forward with the essential work that remains to be done in finalising the **scheme**, including how the application process will work for awards. We will be working with organisations such as the Haemophilia Society and Hepatitis C Trust on this to help ensure the procedures are as user friendly as possible."

A publicity campaign is being planned with the relevant organisations to ensure that eligible claimants know how to make an application to the **scheme**.

Notes for editors

1. As announced the **ex-gratia scheme** would make lump sum payments of £20,000 to all of those who now have Hepatitis C from blood, with a further £25,000 when people reach a more advanced stage of illness.
2. On 29 August 2003 John Reid, Secretary of State for Health announced that, on compassionate grounds, he had decided to establish a financial assistance **scheme** in England.
3. Since then discussions have been taking place between officials of the four UK administrations to explore the benefits and feasibility of administering the proposed national schemes through a single UK **scheme** and to make the necessary arrangements to resolve the benefit issue. Today's announcement confirms the satisfactory outcome of those discussions.
4. The **scheme** will be administered on a UK wide basis by a new independent operation which will be called the Skipton Fund. The **scheme** will be uniform across the UK. The management of the Fund will be associated with that of the Macfarlane and Eileen trusts.
5. The 'advanced stage' of illness that triggers eligibility for the £25,000 has now been defined as when a patient develops cirrhosis, liver cancer or if they have received a liver transplant. A team of medical experts is currently developing a protocol that will enable the existence of cirrhosis to be assessed using only existing biopsy data or the results of non-invasive tests.
6. Legislation affecting social security benefits will be amended at the first opportunity to ensure that people receiving payments from the **scheme** are not penalised as a result.
7. General eligibility for payments is defined in terms of having received blood, blood products or tissue from the NHS before September 1991. No payments will be made in respect of those who have died before 29 August 2003 when the original announcement was made or to people who have cleared the virus

spontaneously. In the case of eligible people who die between 29 August 2003 and the time when the **scheme** is in a position to make payments, then the payments will be made to their dependants.

8. People who have been infected with HIV through blood, blood products or tissue on in the past, and have in addition contracted Hepatitis C in the same way, will be eligible for payments from the **scheme** in the same way as those who have only been infected with Hepatitis C.

9. It will be assumed that people who have developed Hepatitis C after being treated with Factor VIII or Factor IX blood clotting factor concentrates were infected as a result of that treatment. Virtually all haemophiliacs will fall into this category.

10. Where people have received compensation from other sources in connection with their infection, this will be deducted from any award they are entitled to under the **scheme**. The **scheme** will not reimburse legal costs incurred in obtaining that compensation, in unsuccessfully attempting to obtain compensation or in preparing a claim for **payment** from the **scheme** itself.

11. A further announcement will be made once the position is reached where claims can be processed through the **scheme**. This will make clear exactly what claimants need to do in order to make an application. People in England and Northern Ireland who have not already registered an interest with the Department of Health and who would like to have information on making a claim when this becomes available should not contact the Macfarlane Trust but should leave their contact details with the Department by calling 020 7210 4850 or by emailing dhmail@GRO C

12. For media enquiries only, please contact the Department of Health Media Centre on 020 7210 4860/5287

Written Ministerial Statement

Hepatitis C – Ex-gratia payment scheme

The Department announced in August of last year the setting up of an ex-gratia payment scheme for people infected with Hepatitis C from National Health Service blood or blood products. Since that announcement, work has progressed on the detail of the scheme.

The UK scheme will award eligible claimants with initial lump sum payments of £20,000 to all those who now have Hepatitis C from blood or blood products, with a further £25,000 being awarded when people reach a more advanced stage of illness.

We feel that these are fair and reasonable payments and hope that they will help alleviate some of the problems people who have been affected in this way are experiencing.

Work is on going to set up the independent body that will administer the scheme and to introduce the necessary legislation so that people will not lose their social security benefits as a result.

In the course of negotiations we have been able to define a further level of detail on eligibility and scheme administration which will be advantageous to claimants. In particular, bureaucracy will be minimised for people making a claim, in recognition that it will be difficult for some people to gather evidence from twenty years ago.

The scope of the scheme has also been extended to include people who have cleared the virus as a result of treatment and to those infected as a result of the virus being transmitted from someone who was infected from blood or blood products. The scheme will also consider people who were infected with HIV as well as Hepatitis C in the same way as those only infected with the Hepatitis C virus.

Work is progressing on finalising the application process for awards and setting up the independent body that will administer the scheme. Organisations such as the Haemophilia Society and Hepatitis C Trust will be fully involved in that work to help ensure the procedures are as user friendly as possible.

We will work with the relevant organisations to ensure claimants know what to do to make an application.