To be set by PS(PH) to allow MS imadely following your fatenat

Dear Colleague,

I am writing to advise you of the changes being announced today by my Rt Hon friend, the Sec of State for Health, to the level of ex-gratia payments made to those affected by hepatitis C as a result of infections transmitted via blood transfusions and blood products in England two or more decades ago. Taken together, these new measures will remove some of the historical unfairness in the system, including the previous distinction between those whose relatives died before and after 2003. While putting an exact figure on the value of the package is difficult, these new arrangements could provide £100m to £130m in further support over the course of this parliament, in addition to the £206m already paid to those affected.

This is the culmination of the review that I announced to the House on 14 October. The review focussed on the support available to those with hepatitis C, as it was clear that there was a particular need to revisit this. Certain of the measures being announced today will also benefit those infected with HIV. The details of the package are set out on p.3 of this letter.

I know that many of you have constituents affected by this tragedy, and are committed as am I to achieving a package of support which will enable them to have greater financial certainty about the future. I hope too, that it will go some way to alleviate the anxiety and distress they and their families have experienced.

This is a very difficult and tragic issue: these infections, transmitted in the main during the 1970s and early 80s, have blighted the lives of many people and their families, and resulted in many premature deaths. I know I speak for all MPs when I say we are deeply sorry for the harm and distress caused. However, the harm caused was not deliberate, nor was it caused by negligence on the part of the NHS.

Outcome of our review

During the course of the review we have consulted widely to understand current situation. While inevitably there are different views on the precise sums of money that are appropriate to the varying circumstances of infected individuals, ministers consider that the package the Secretary of State is announcing today best meets the needs of those most seriously affected, and removes the serious anomalies that exist between the current payment scheme for hepatitis C and those for HIV. I should also

emphasise that these new payments will be tax free and will also be disregarded for benefits assessments and from financial assessment for local authority arranged social care services.

In summary:

- We are introducing a recurrent flat rate annual payment of £12,800 for each living person who is infected with hepatitis C who has developed serious liver disease, coupled with additional discretionary payments for those infected with hepatitis C and their dependants, which will be targeted at those in greatest need. These discretionary payments will also be available for individuals with chronic hepatitis C infection, but who have not developed serious liver disease; they will be eligible to receive discretionary payments, based on need.
- The recurrent payments will be uprated annually in line with the CPI
- Payments will be introduced in respect of those infected with hepatitis C who died prior to 29 August 2003. This will correct the anomaly that has existed since the scheme was set up an anomaly that has been vociferously criticised.
- We will make a further lump-sum payment of £25,000 for those with most serious hepatitis C-related illness, including B-cell non Hodgkins lymphoma, as advised by the expert review group. This will increase the amount received at Stage 2 from £25,000 to £50,000.
- Patients will be provided with the cost of an annual prescription season ticket (England only) so the net effect is that they will not have to pay for their prescriptions.
- All new ex-gratia payments to this patient group will be disregarded for the purposes of means testing for social care services in England.
- We will in addition be providing £100,000 per annum in England to selected national charities for three years to provide additional access to counselling for this patient group.

We will implement this package for England. Clearly, UK-wide acceptance, especially for the new payments for those affected by hepatitis C, would be preferable, but I appreciate that as the costs of hepatitis C-related support (via the Skipton Fund) are borne by each UK-country, this has financial implications for each of the devolved administrations, which they will each be considering.

Finally, I am extremely grateful to you for your contribution to the review process, and similarly to your constituents who also contributed. Whilst not each and every view could be accommodated, I believe the report and the Government response represent a considered approach to the many issues raised, and address the very real key concerns expressed during the course of review.

We shall be publicising the new arrangements through local media routes, and shall be asking the relevant patient support groups to similarly publicise through their own networks. You may wish to alert your constituents that anyone who contracted hepatitis C through treatment in England with blood transfusion or blood products, or is a family member of someone who did, may be eligible under the new arrangements. They can find out more about what they need to do by contacting the Skipton Fund:

• online at: http://www.skiptonfund.org/Eng/index.html

• by email: apply@skiptonfund.org

• by phone: 020 7808 1160.

Queries about the prescription payments, which will apply to both HIV and hepatitis C infected individuals, should be addressed to the relevant Trust or Fund.

ANNE MILTON