Witness Name: Graeme Trudgill
Statement No.: WITN7573001
Exhibits: Nil
Dated: 2.12.22

INFECTED BLOOD INQUIRY

WRITTEN STATEMENT OF GRAEME TRUDGILL

I provide this statement in response to a request under Rule 9(1) and (2) of the Inquiry Rules 2006 dated 13 July 2022.

I, Graeme Trudgill, will say as follows: -

Section 1: Introduction

Q.1 Please set out your name, address, date of birth and any relevant professional qualifications relevant to the role you currently discharge.

1. Graeme Trudgill, British Insurance Brokers' Association, 8th Floor, John Stow House, 18 Bevis Marks, London EC3A 7JB. DOB GRO-C 71. Fellow of the Chartered Insurance Institute; Chartered Insurance Practitioner

Q.2 Please describe, in broad terms, your role and responsibilities as Executive Director at BIBA.

2. Executive Director at the British Insurance Brokers' Association. With responsibility for Public Affairs, Communication and Technical Services.

Q.3 Please set out your membership, past or present, of any committees, associations, parties, societies or groups relevant to the Inquiry's Terms of Reference, including the dates of your membership and the nature of your involvement.

3. Not applicable.

Q.4 Please confirm whether you have provided evidence to, or have been involved in, any other inquiries, investigations or criminal or civil litigation in relation to human immunodeficiency virus ("HIV") and/or hepatitis B virus ("HBV") and/or hepatitis C virus ("HCV") infections and/or variant Creutzfeldt-Jakob disease ("vCJD") in blood and/or blood products. Please provide details of your involvement and copies of any statements or reports which you provided.

4. No

Section 2: Insurance Premiums

Q.5 Please provide any information relating to whether or not those infected have to pay increased insurance premiums presently and if so, how much more expensive those premiums are now in contrast

5. BIBA is supportive of the inquiry and are keen to assist those affected to more easily access suitable insurance protection. In order to respond to the inquiry in the short time available BIBA approached leading providers and asked for qualitative feedback on whether or not those infected have to pay increased insurance premiums presently and if so, how much more expensive those premiums are now in contrast or if in fact the cover was rejected completely.

6. Our response is based on the 4 diseases specified that may be contracted from infected blood: Hepatitis B, Hepatitis C, HIV and vCJD; and for the following classes of insurance:
    a. Life
    b. Critical illness
    c. Income protection
    d. Travel insurance (medical)
7. Competition law allows trade associations to collect and disseminate industry statistics and benchmarking studies. The information here is historic and does not include indications of how insurers will price premiums for infected insureds going forward, the data is communicated in aggregation, anonymously and in a manner that ensures that information cannot be attributed to a particular member through its context.
8. Please note premium loadings and terms are not universal across the industry – different insurers have different risk appetites or insights, but the following comments aim to give a sense of the impact to the inquiry.
9. Rating is generally dependent on individual risk assessment of medical conditions and a variety of factors are taken into consideration, for example other health and lifestyle factors would be taken into account when assessing applications along with someone's age, if the condition is stable, the level of viral load and so on.
10. For travel insurance: other medical conditions, trip length, age and destination also affect the premium, amongst other things.

Executive Summary:

11. Insurance cover can in many cases be found for people with infected blood, depending upon the particular condition, its stability and various other factors, but there are occasions where it may not be available. Some conditions are easier than others to cover and there have been positive improvements in the

insurance markets' understanding and willingness to cover HIV over recent years.

12. People may find that some standard markets do not have the appetite or expertise to cover some of these conditions, however we think BIBA can offer some assistance. We are a not-for-profit trade association that has put in place an arrangement with an FCA regulated firm to provide our Find Insurance Service call centre (which helps pass public enquiries on to various specialist insurance firms who can then assist the enquirer). We also have a Find Insurance facility on our website. Combined, these services receive over 230,000 enquiries a year from the public seeking assistance in finding insurance for standard or more challenging risks such as those with serious medical conditions. We also run four very successful signposting agreements with various parties including the Financial Conduct Authority, HM Treasury and others. These four agreements are:
    a. **The Signposting Agreement on Age and Insurance** with HMT Treasury and the Government Equalities office (for motor and Travel)
    b. **The Travel Medical Directory** that meets the FCA criteria (for people with serious medical conditions)
    c. The Agreement on Access to Protection Insurance for people with pre-existing medical conditions and disabilities
    d. The Flood Insurance Directory (as requested by DEFRA) for homes at risk of flood
13. We would be happy for the inquiry to direct people with infected blood to BIBA where we can try to match them with a provider that may be able to help.

HIV

14. Cover and rating are typically affected by the stability of the disease, CD4 count and age.

15. **Life** insurance availability and terms has improved since the disease first appeared when it was almost impossible to obtain any protection insurance including life. The majority of providers, while able to offer life insurance,

have been doing so within a restricted maximum term and have not been offering cover at standard rates for any HIV cases. Premium loadings have typically ranged between 50% to 100% or more. A recent diagnosis has been known to attract further increase in rating. In some cases, it has been possible to obtain standard premium rates and longer periods of cover for 30 years or more if needed, but this is the minority.

16. For individual **income protection** (IP) insurance most companies have been declining all applications where the client is living with HIV with only 1 or 2 providers offering cover at significantly increased rates. In terms of premium ratings, Experience suggests that IP would not be offered at standard premium rates at the current time.

17. **Critical illness** (CI) insurance has not been available to date for this class of insurance for people with HIV, although more recently the market has seen a small shift to offer some cover. **NOT RELEVANT**

NOT RELEVANT

18. Co-infection with Hepatitis B or C would also impact availability and terms for cover.

19. Other factors such as excess alcohol and drug abuse are also considered, which have been known to affect the rating.

20. **Travel**, as with other classes mentioned above, is dependent on the stability of the condition. In some cases, some providers may not carry any rating increase but with other providers there could well be higher rate increases.

21. If we focus on the medical element, **HIV** depending on the stability of the condition can actually carry no medical loading.

22. If someone living with **HIV** declares they haven't started a new anti-viral drug in the past three months and there are no plans to and if their CD4 count is higher than 350 or they have been told by a doctor that there is no need to monitor CD4 levels at this time – that declaration would not carry any medical loading.

23. If they have declared that their CD4 count has exceeded 350 but are able to confirm that if they have been on antiviral treatment for more than 3 months, that their viral load is below 50 or negligible, or answer they are not on antiviral treatment again there is not likely to be a loading.

24. If someone declared their current CD4 reading was less than 250 then a relatively low medical loading would be applied.

25. Where we start to see some seriously high loadings is in the scenarios where for example:
    a. Someone confirms they have started a new anti-viral drug in the past 3 months which carries a smaller loading than the above answer, but when the same answer is supplied to the CD4 below 250 questions – the loading of the first answer is multiplied to the loading for this answer.

26. It also prompts a further question – If you have been on viral treatment for more than 3 months what is your current viral load reading? If yes to over 20,000 again that carries a load that is the multiplier for the total of the two previous answers.

27. Final question in this series is have you been advised to start or alter anti-viral treatment and chosen not to – a yes here would double the total loading. This combined scenario represents a significant loading reflecting the level of risk in providing cover.

28. The highest loading we have seen to a travel insurance premium is over 900%.

vCJD

29. Providers were not able to provide cover for Life, critical illness or income protection.

30. **For travel** insurance this condition is insurable but would attract a rating increase, with lesser multipliers if diagnosed within three months and there

are no further symptoms or investigations planned and it doesn't impact daily life.

31. At the other end of the scale is a heavy loading, potentially in the region of 4-5 times the standard premium, if the person has had the condition for more than 6 months, there are no symptoms and waiting for more investigations and the condition interferes with daily life.

32. Being notified by the NHS of being at risk of developing vCJD isn't the same as being told you have the condition. It's the point at which diagnosis is confirmed that premiums could start to be affected.

Hepatitis C

33. Acute hepatitis C

Less than six months since onset – the decision will be to defer cover for a period of time until more information is available. So, no cover until more time has passed to understand how the condition develops as a recent diagnosis.

Greater than six months since onset and fully recovered – standard rates would be available (Life, CI & IP).

34. Chronic Hepatitis C

Fibrosis stage 2/3 or moderate/severe liver fibrosis or cirrhosis – Unable to offer terms, all products.

Fibrosis stage 0/1 or mild liver fibrosis, no cirrhosis, 12 weeks or more after treatment, deemed cured, standard terms would be available for all products.

35. Untreated Hepatitis C

Here are a number of tables demonstrating an approximate range of loadings following our discussion with numerous providers.

(IC= individual consideration & UTOT= unable to offer terms)

Age at policy issue	Percentage Loading

Less than 20 years old	Unable to offer terms, all products
20 – 50 Duration of Hepatitis C • Less than or equal to 15 years	Life – 100%, CI – 125%, IP - IC
• Greater than 15 years or duration unknown	Life – 150%, CI – UTOT, IP – UTOT
Greater than 50 Duration of Hepatitis C • Less than or equal to 25 years	Life – 75%, CI – 100%, IP – 100%
• Greater than 25 years or duration unknown	Life – 100%, CI – 150%, IP – 100%

36. In general Life, CI & IP are available in the market although not all providers would offer all products. In some cases, there is potential for standard premium rates where a good recovery has been made. Terms might also be available with rating increases and might be subject to exclusions. There have been maximum rating loadings of 200% (i.e. 3 times the standard premium) beyond which cases would be declined.

37. I understand that many people infected through NHS treatment will be in the position of having cleared HCV but having fibrosis or cirrhosis due to the time between infection and treatment. The standard market decision for life/CI/IP is usually a decline across the board for fibrosis or cirrhosis of the liver. Specialist underwriters may consider on a very case-by-case basis depending on the severity of the conditions and also on other factors such as treatment, age, duration of infection and other lifestyle factors.

- For **Life** cover the best case for those with mild fibrosis would be +50% upwards to a decline. For those with cirrhosis this is mostly a decline even with the more specialist underwriters but there is a small chance of securing life cover & best case looks to be 200% additional rating up to a decline.

- **CI** cover is mostly not available for those with fibrosis or cirrhosis even in the specialist market. However, there might be some CI cover available for those with mild fibrosis only.

- **IP** cover there may be some cover available for mild fibrosis only – with loadings and probably with a short term of cover and other exclusions. From my research there does not seem to be any cover available for those with moderate to severe fibrosis or any cirrhosis.

Hepatitis B

38. Acute hepatitis B

    Fully recovered with HBsAG negative and anti HBs positive – standard terms (Life, CI, IP).

39. Chronic hepatitis B (HBsAg positive) - the tables below demonstrate an approximate range of loadings following our discussion with numerous providers.

Found on application OR never treated	Percentage Loading
Highest of ALT or AST less than or equal to 1.3x	
• HBeAg positive	Life – 75%, CI – 100%, IP – 100%
• HBeAg negative	Life – 25%, CI – 25%, IP – 25%
• HBeAg unknown Highest of ALT or AST 1.4x to 3x or results unknown	Life – 75%, CI – 100%, IP – 100%

• HBeAg positive • HBeAg negative • HBeAg unknown Highest of ALT or AST greater than 3x	Life – 100%, CI – 125%, IP – 125% Life – 125%, CI – 150%, IP – 150% Life – 125%, CI – 150%, IP – 150% Life – Defer, CI – UTOT, IP - UTOT

Currently on anti-viral drug treatment	Percentage Loading
Highest of ALT or AST less than or equal to 3x	
• HBeAg positive	Life – 100%, CI – 125%, IP – 125%
• HBeAg negative or HBeAGg unknown at start of treatment	Life – 125%, CI – 150%, IP – 150%
• Seroconverted to HBeAg negative after the start of treatment • Highest of ALT or AST greater than 3x	Life – 75%, CI – 100%, IP – 100% Life – Defer, CI – UTOT, IP - UTOT

40. With both hepatitis B & C, other factors such as excess alcohol and drug abuse will also be considered when assessing, which can affect the indicative figures above.

41. Life, CI & IP are available in the market although not all providers would offer all products. In some cases, there is potential for standard premium rates where a good recovery has been made. Terms might also be available with rating increases and might be subject to exclusions. We have seen maximum rating loadings of 200% (i.e. 3 times the standard premium) beyond which cases would be declined.

42. For **travel insurance for those with Hepatitis B or C**, a rating increase would be expected if the condition has led to cirrhosis of the liver, liver fibrosis or liver failure.

43. As a Director of BIBA, a trade body, I have researched and reported my findings to the inquiry in summarised form by collating relevant information from expert FCA authorised insurance firms. BIBA is not a regulated entity and I do not specialise in protection or medical insurance.

Statement of Truth

I believe that the facts stated in this witness statement are true.

Signed _____ GRO-C _____

Dated _____2.12.22_____