Health and Social Care Committee
Recovery of Medical Costs for Asbestos Diseases (Wales) Bill
RMCA18 – Mick Antoniw AM

Recovery of NHS costs for Asbestos Diseases.

Briefing prepared by Paul Davies on issues raised at the Health Committee's Scrutiny sessions.

1. **Profile of NHS costs.**
   From an examination of the individual mesothelioma cases, the evidence shows that the majority (over 75%) of costs are incurred in the first 6 months of the onset of the disease.
   This reflects the clinical pathway which involves, in the early months, intensive and urgent medical interventions to diagnose and treat the disease.
   The costs in the later stages of the pathway are reflective of the more palliative nature of the care provided and as such are less resource intensive.
2. **Implications of early settlement**
   Of the 12 mesothelioma cases included in the study, 9 patients had died within a year of the onset of the disease. In the remaining 3 cases, 2 died within 18 months and the third at 26 months. Given that it was reported that settlement takes on average 16 months from the date of claim, the majority of the patients would have already died. The impact of early settlement would therefore have little or no effect on the level of NHS costs to be recovered.
   This may not be the case in other asbestos related diseases, particularly the more chronic conditions, where the NHS costs are incurred over a longer period of time.
3. **Primary care costs**
   In the individual cases examined, primary care costs were accounted for in the total actual cost. This included visits to the GP, District nurse attendance and later GP visits to the patient's home. These costs are not significant when compared to the times when the patient is admitted to hospital for various tests and treatments. In most cases they range from 1% to 5% of the total cost.
   Whilst the primary care cost is not included in the inpatient tariff, the use of the tariff is currently sufficiently effective to recover the total NHS cost. This will be reviewed in the future as medical practice may change the nature of the care given.
4. **Hospice care**
   There were occasions when patients in the sample of 12 cases were treated in a hospice but these were not NHS funded and therefore excluded from the actual costing. This may be an issue in the case of the more chronic conditions where there is the potential for greater dependency on long term care.
5. **Provision for the non-recovery of income**
   It is inevitable that not all NHS costs claimed will be recovered. The Explanatory Memorandum assumes that 1% will not be recovered based on the CRU experience of appeals. The Department of Health advises Health bodies to make a provision, currently 12.6% for the non-recovery of NHS costs arising from RTA and personal

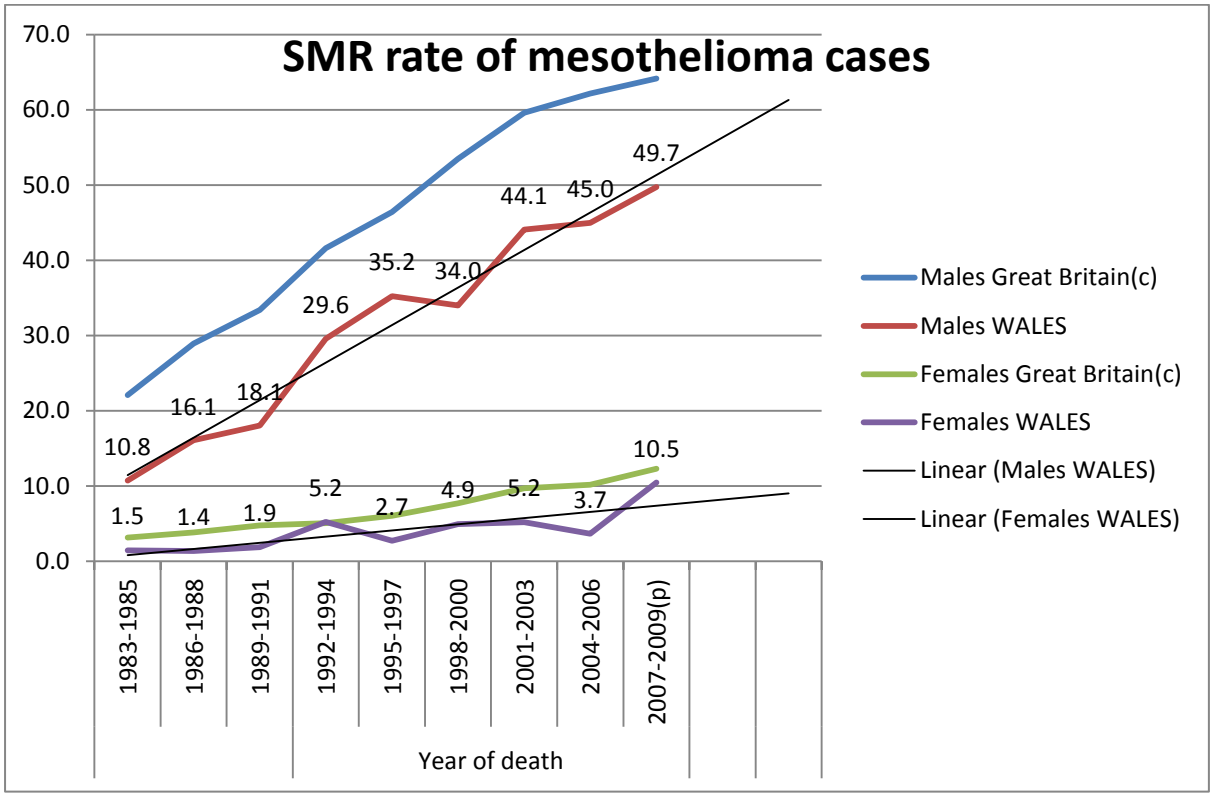
injury claims. This should be based on actual experience and reflects all the reasons for non-payment including appeals and is equivalent to some 10 cases per year leading to non-recovery of some £0.250m

It is suggested that further work be undertaken to examine the experience of Health Boards in Wales to recover NHS costs under the present legislation and ensure through the SLA that the CRU applies the most effective method of minimising any potential non recovery.

6. **Increased number of Mesothelioma cases**

   The present assessment of £2m in gross recovered income does not include the additional mesothelioma cases anticipated over the period up to 2016. Based on the HSE statistics and the trend analysis, (see graph below) it is estimated that the number of cases of mesothelioma, subject to recovery, will increase to around 94, an increase of some 14 cases

SMR rate of mesothelioma deaths per million populations



7. **Administrative costs**

   It is evident that the cases are often complex with many interventions in different care settings and often involving more than one Health Board. It is essential that the CRU identify the Health Boards involved when seeking information on the care provided to individual cases and coordinate the responses accordingly.