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10 February 2025

s 9(2)(a)

Ref: H2024058359

Tēnā koe s 9(2)(a)

Response to your request for official information

Thank you for your request under the Official Information Act 1982 (the Act) received by the Ministry of Health – Manatū Hauora (the Ministry) as a transfer from the Crown Law Office on 9 December 2025. I apologise for the delay in responding to your request. You requested:

[with regard to the Abuse in Care inquiry] the actual cost and estimated future costs of any compensation paid to victims' and victims' families.

Funding limitations have been relevant considerations for the Ministry within the context of its Historic Abuse Resolution Service (HARS) process and for the Crown Health Funding Agency (CHFA) as part of its settlement process, where it had a fixed budget available for settlements. No additional funding was provided to the Ministry for the resolution of claims.

The settlements are paid from the Ministry's Legal Non-Departmental Other Expenditure, which is a fixed amount appropriated each year from which litigation costs (such as for Crown Law) and other historic settlement payments (such as Lake Alice and Hepatitis C settlements) are met.

While the formal cut-off dates for claims from Lake Alice patients was 1 July 2002, claimants continued to come forward past that date. The Ministry has maintained a separate claims process for any new claims arising out of care provided at Lake Alice. Further information about this can be found here: www.abuseincare.org.nz/our-progress/library/v/152/testimony-of-philip-knipe-for-ministry-of-health-at-state-redress-hearing.

Projections for claims vary over time. However, the Ministry anticipates approximately 75 to 100 new claims per year to the HARS process over the next two years, subject to future decisions arising from the government response to the Royal Commission into Abuse in Care.

Details of the Legal Services Non-Departmental Other Expenditure can be found in the Ministry of Health Annual Reports, which are publicly available here: www.health.govt.nz/about-ministry/corporate-publications/annual-reports.

The approximate, rounded amounts the Ministry has spent on redress for abuse in care survivors, as at July 2024 are outlined below:

- \$13m Lake Alice settlements (rounds 1 and 2)
- \$5m Crown Health Financing Agency settlements (2011/12)
- \$2m Ministry of Health Historic Abuse Resolution Service (since 2012)

I trust this information fulfils your request. If you wish to discuss any aspect of your request with us, including this decision, please feel free to contact the OIA Services Team on: oiagr@health.govt.nz.

Under section 28(3) of the Act, you have the right to ask the Ombudsman to review any decisions made under this request. The Ombudsman may be contacted by email at: info@ombudsman.parliament.nz or by calling 0800 802 602.

Please note that this response, with your personal details removed, may be published on the Manatū Hauora website at: www.health.govt.nz/about-us/corporate-publications/annual-reports

Nāku noa, nā

A handwritten signature in blue ink, appearing to be 'Phil Knipe', written in a cursive style.

Phil Knipe

Chief Legal Advisor

Government and Executive Services | Te Pou Whakatere Kāwanatanga