

# Dentistry Business

## All grown up

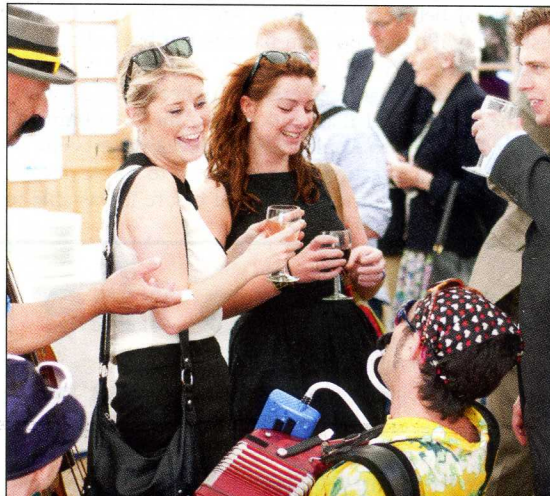
**DPAS celebrates its 15th anniversary in style as it looks to be the perfect payment plan model for the future**

DPAS celebrated its 15th anniversary at its Wiltshire offices on the 15 July at 15.15 and 15 seconds, where many colleagues and friends of the company attended. Quentin Skinner gave a remarkable speech on the day where he entertained and educated everyone on the history of DPAS.

DPAS was set up in 1996 as a backroom administrator for dentists who were ready to move on from the support of a consumer brand and promote a dental plan for their patients as the optimal way of funding dentistry, under their own practice branding and control.

DPAS was formerly known as Dental Payment Administration Services Limited, a name chosen to be very descriptive of what they do. Everyone but Quentin Skinner abbreviated the name to DPAS. After holding out for a few years, he eventually got so bored with writing out the full name and changed the name of the company to DPAS Limited.

For the first eight years or so, all of the company's new customers were practices moving on from competitors, Quentin explained. Starting off from a small office in Fonthill Bishop, they enjoyed good, steady significant growth, year-on-year. This came almost entirely from



word-of-mouth referral from satisfied customers, initially from a beachhead at Land's End and spreading across the whole of Great Britain, as far as north as Dingwall.

The prospect of FSA regulation of general insurance raised its head in 2004 – this badly drafted legislation forced DPAS into the same model as the completely different businesses that the regulation was intended for. The lead up to this new regulation was extremely stressful, potentially threatening the whole of DPAS' business model. Having jumped through hoops to gain registration at the start of 2005, it meant a significant increase in overheads – investing in an even bigger folding and stuffing machine – extra costs, extra paper, and so on.


Then, with the Options for Change consultation, practices wanted to use DPAS to convert from the NHS. DPAS had Derinne and Andrew on board, who were the original team responsible for devising the concept of the 'conversion process' back in 1990.

With the advent of the new contract, the company was hit by a tsunami of new business at the start of 2006 grew enormously. For a short period, the monthly growth rate multiplied by 25 times, almost overnight.

DPAS moved to Place Farm in 2005 and had settled in just in time, before the volumes started to multiply and all hell let loose in January 2006.

## Big boom

2006 to 2009 saw a huge investment in infrastructure, to position DPAS where it was not only the natural choice for dentists looking to use dental plans as a funding option for their patients, but where the company could cope well with even bigger tsunamis, as and when necessary.




Automation and process control were the order of the day. The credit crunch and subsequent recession has seen difficult times for the private dental market. One thing is clear, though – dentists who had opted for PFPI funding only saw a sharp drop in the regularity of patient attendance and thus their profitability.

The recent NASDA earnings figures showing NHS dentists doing better than private colleagues mask the fact that those dentists with significant dental plan numbers did not see such a fall off in revenue and profitability.

'In these difficult market circumstances, DPAS is the only significant player that has managed to keep growing steadily throughout this period from continued transfer from competitors, their unique area of expertise', said Quentin Skinner. He continued: 'The overall market itself is not moving at the moment, because plenty of dentists are earning much more under the NHS than they were perhaps meant to, I believe that NASDA figures show the average NHS principal earning more than the Prime Minister. Whilst this carries on, such dentists are not going to move into the private sector.'

'Such figures are average – thus many dentists are earning considerably more, although many dentists are earning less. The iniquitous UDA system is unsustainable and unfair, unfair on those with low UDAs, but yet there is no sign of any early change. Perhaps the move to centralised commissioning in 2013 may see some regularisation of UDA values. Whether it's sooner or



later, a swing back towards private dentistry is inevitable, especially when disperse UDA values rightly converge.

'A radical government would grasp the nettle and move NHS dental funding to the provision of a good core service for the needy, rather than continuing the pretence that NHS dentistry is a universal benefit, enjoyed by all and free at the point of delivery.

'It is none of these things. Of course such a radical government would have to deal with the dogmatic determination of the Department of Health to treat private dentistry as a distasteful problem, rather than supporting it as part of the solution.'

## Enlightenment

Quentin Skinner believes that the way forward should be enlightened discussion as to how the state and the private sector can properly interact, in a search for a real solution to the nation's oral health, rather than short-term political expediency dictating that it is better to let the current unsatisfactory situation keep running on.

he finished by saying: 'I would also like to thank all of the DPAS staff, both present and past, and all of those in other organisations working alongside us in support of the dental profession over the last 15 years. And a special thanks, of course, to all of our customers, who have remained thoroughly loyal throughout, and we look forward to continuing our close relationships for a long time into the future.'