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Questions, questions, questions...

Quentin Skinner debates the uncertain future of NHS dentistry

What an unpredictable world we live in. It is often said that businesses need certainty in order to plan – how true that is, both for my own business of dental plan administration and for yours of providing properly funded professional dentistry services. Well, for those operating in the world of NHS dentistry, certainty is one thing that simply does not exist in current times.

Where on earth is everything going?

Who knows what will happen with NHS dentistry? We now have the Tories, having promised ring-fencing of NHS budgets, in coalition with the Lib Dems, who didn't. Whilst they still proclaim that there will be no reduction in NHS spending, the BMA are already protesting loudly about forthcoming NHS job cuts. The current government review of spending, which appears to be becoming more and more dramatic as each week goes by, promises a sea change to the balance between the public and private sectors. The new government has promised to replace the current contract, but not necessarily along the Steele review lines. Health minister Anne Milton has said that they intend to remove perverse disincentives out of any new contract – this may or may not mean UDAs, and it is equally unclear what may replace them if indeed that structure is scrapped, or when this might happen. The only thing that now seems certain is that the wasteful multiplicated structure of PCTs is set to be abolished, but to be replaced with what? And when?

NHS ring-fencing – is this as comfortable as it sounds?

If overall NHS funding is indeed to be ring-fenced, why are doctors protesting instead of being grateful? The trouble is, quite simply, that the NHS and its whole concept is a voracious organism that self-generates a need to continually grow, particularly in a world where consumer expectations have been allowed to relentlessly increase, year upon year, as far as one's 'rights' are concerned.

Given the growth of our population, and in particular the rapid rise in life expectancy, the NHS apparently needs an annual real terms increase of well over 1% just to maintain the status quo in this respect. Regarding the aging population, Niall Dickson, chief executive of the King's Fund, pointed out at a Westminster Forum last year that 'the tail of morbidity will increase, there will be more unhealthy years as well'. He was also clear that dementia is going to increase very significantly and that long-term conditions, including things like cancer that in the past haven't been regarded as long-term conditions, will be very significant issues going forward. As people are kept alive for longer and longer with chronic conditions, NHS costs are set to escalate.

> *"There will inevitably be a move towards changing UDA values towards an average figure"*

Further inexorable pressures continually press greater strains upon the NHS budget, with acceleration in such things as obesity and sexually transmitted diseases making ever-increasing demands on the existing funding. Advances in technology, whilst bringing benefits, come at an additional cost, and this is estimated to need a further annual 1% real terms increase.

Steve Barnett, of the NHS Confederation, points out that there is a commitment to honouring a three-year pay deal in the NHS, and it is clear such a commitment and the continuance of a favourable NHS pension arrangement do not rest easily in the new age of austerity in public services.

At the same forum, Dr Richard Barker, director general of the Association of the British Pharmaceutical Industry, felt that 'we are on an unsustainable trajectory everywhere', as part of a long-term phenomenon. On top of the cost of technology escalation, he foresaw a large increase in costs flowing from all sorts of drugs development, gene therapy, cell therapy, and new forms of imaging.

All of this goes hand in hand with the rise in people's expectations. Growing hospital waiting lists are a political nightmare, and the last government significantly increased expectations of patient choice, something which itself comes at a cost. Additionally, as each generation moves into old age and comparative infirmity, they do so with much higher expectations of medical and social care than that accepted by their parents.

And as the NHS gets bigger, for all of these reasons, as with most growing organisations it gets progressively less productive.

So, the upshot of all of this is that anything other than a significant year-on-year real terms increase will feel like a significant cut in the funding of the NHS, and this feeling is clearly the prevailing atmosphere within this whole sector.

How will NHS dentistry fare in all of this?

Within the overall NHS budget, given its huge attendant pressures from all sides, how might the NHS dental budget fare, as its own particular ring-fencing comes to an end in April next year? In general terms, NHS dentistry is a so-called universal benefit that only half the population

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want to access, and is not available to half those who actually want to take it up. Whilst the Department of Health will point to improved access, Anne Milton now confirms in Parliament that 'the number of people now seeing an NHS dentist remains lower than when the previous government introduced the new contract in 2006'. Whilst new NHS dental contracts have been awarded here and there, certainly many people will feel that, because their own dentist no longer offers NHS care, they no longer have access. Indeed, there is a very real perception that the availability of NHS dentistry is a postcode lottery – hardly a universally available benefit in many people's eyes. Therefore, is NHS dentistry a prime candidate for an up-front cut? Perhaps? Perhaps not...

Will it go at once to a core service providing pain relief and basic care for the needy, orchestrated by a central commissioning body? Or, instead, will it be death by a quickening pace of a thousand cuts, if the demise of PCTs takes time and they use the end of ring-fencing next March as a catalyst for cutting dental budgets to help them out of a seemingly impossible funding squeeze? Who knows?

Where does this leave you?

If you earn a significant proportion of your income from NHS dentistry, whether directly yourself or via an associate, will all of this matter little to you or does it carry profound implications? One of the iniquitous things about the last four years is the disparity of UDA values – some practices are paid over two-and-a-half times more than others in the same PCT area for carrying out the same treatment. One can understand why this might have been an unsatisfactory necessity during a transitional year or two, but four years down the line this is downright unfair, as well as being a questionable use of taxpayers money.

Thus, there will inevitably be a move towards changing UDA values towards an average figure. Indeed, there are already signs of certain PCTs giving notice in advance of next spring of significant downwards adjustments in higher UDA values for next year. Given that the status quo is being shattered everywhere one looks around the rest of public sector activity, it is inevitable – and indeed equitable – that the status quo in UDA rates will not remain. Especially once all is retrenched under a single national commissioning body.

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So, if your practice is one of the fortunate ones which enjoys a privileged high-end UDA value, you must expect that this will be cut down to the average rate, and that practice revenue will be (perhaps significantly) hit to the detriment of principal and associate alike. The commissioning body(ies) (along with all public sector organisations) are going to be under such pressure that this must happen.

On the other hand, if you have been selflessly providing your PCT with the time, effort and commitment of you and your team at low-end UDA rates for the last four years without complaining, should you believe that, in the interests of fairness, your UDA value might actually move upwards to the average rate? I think not. The likelihood is that there will be no appreciable increase in anyone's UDA rate, and the average price for a UDA will be a moving average, and that average will be moving in one way only, and that is downwards.

What should you do?

Well, you could do nothing, and hope that the current system lumbers on, from which you may derive a reduced income whilst pondering on the uncertainty of your future. This may well be an outcome which, whilst not attractive, should keep the wolf from the door. However, you may instead find that a new system is introduced, which produces better value for taxpayers' money in a fashion that also reduces your income or requires yet higher productivity. Alternatively, it could just possibly transpire that a radical, fairer change is brought in that reduces NHS funding to a core service for emergencies and the needy, in which case the whole funding structure of your business will need a total overhaul.

Whatever may transpire, it would be foolhardy to just sit back and rely on the status quo. In these uncertain times, at the very least you should be planning your route towards more certainty as to the funding of the standard of professional dentistry that you want to offer your patients, and that should inevitably entail working – now rather than next year – on a transitional route forwards with the private dental plan administrators to develop the certainty of a funding structure in the independent sector. Do not leave it until the last minute, unless you are happy gambling with the future of the livelihoods of you and your dental team.