

## ***Dental Contract Review Process 2006***

### ***Hints and Tips***

#### **1. Background**

Following the implementation of local commissioning for NHS dentistry in April 2006, the NHS Primary Care Contracting Team (PCC) has been approached by PCTs to offer a steer on good practice relating to monitoring the new contracts. As a result of these requests we are in the process of developing a model contract monitoring toolkit to support PCTs in assessing contractors' delivery of their NHS commitment, including looking at quality.

Although PCTs may wish to design and implement their own contract monitoring framework, PCC felt that it would be helpful to develop a common resource which would help to avoid unnecessary duplication by PCTs – particularly at a time when many PCTs are undergoing considerable change.

We are aiming to publish a detailed model contract monitoring framework during September 2006, but we acknowledge that both PCTs and dentists are already thinking about this year's process. The purpose of this paper therefore is not only to inform PCTs of what support tools will be available, but also to give some initial guidance on what should be considered now.

This document sets out to:

- remind PCTs of their contractual responsibilities with dental contracts, and how these responsibilities might be realistically discharged in the first year of implementation;
- provide details about specific areas facing PCTs in the first year of implementation;
- identify some opportunities afforded to PCTs by the dental review process; and
- give details of the current work being undertaken to develop a comprehensive monitoring framework for PCTs to use.

PCT do need to bear in mind that the new dental contract represents a significant departure from the previous system and any monitoring needs to take this into account. PCTs should be sensitive to how the contract is working from the contractor's perspective. It is recommended that PCTs approach contract reviews in a supportive and developmental rather confrontational way and seek to understand how contractors are delivering the activity.

## **2. Context – PCT responsibilities**

### ***Mid Year reviews***

The NHS General Dental Services and Personal Dental Services Regulations 2005 require PCTs, by 31 October of each year (or other specified date if the contract did not start on 1 April) to determine the number of UDAs and/or UOAs that each contractor has provided between 1 April and 30 September of that financial year (Schedule 3, Part 8, Paragraph 58 (3)).

Where a PCT determines that a contractor has in this period provided less than 30% of the annual total UDAs/UOAs that was agreed in the annual contract, the PCT may notify the contractor that it is concerned and may require the contractor to take part in a mid year review. Following that the PCT should provide the contractor with a written record of the review. (Schedule 3, Part 8, Paragraph 58 (4-8)).

It is likely in this first year that PCTs will find that some contractors have provided less than 30% of their annual activity levels between April and September and so may be required to take part in a mid year review. It is likely for the early months of operation of the contract that there is less activity data as dentists have completed courses of treatment begun under the old system and are starting courses under the new contract.

Whilst there is no contractual requirement for a contractor to take part in a mid year review if they have completed more than 30% of their annual activity, it is recommended that PCTs contact these contractors around the mid year point to establish how the new contract is settling in and whether they think that there are things that could be done differently and provide support, if this is appropriate.

If a formal mid-year review does take place, PCTs should be clear under what circumstances they are requesting the contractor to take part and what outcome they are expecting from it.

### ***Annual Reports and Reviews***

The NHS General Dental Services and Personal Dental Services Regulations 2005 require PCTs to provide contractors with an annual report on performance and to undertake an annual review.

Once the report is prepared the PCT should arrange with the contractor an annual review of its performance in relation to the contract and agree a record of the review with the contractor. (Schedule 3, Part 5, Paragraph 39 (1-4)).

## **3. Specific issues in the first year of Implementation of the new contract**

Clearly in the first year of operation of any contract there will be learning. The new dental contract was a significant departure from previous NHS dental remuneration arrangements. Therefore monitoring of it needs to take this into account and be sensitive to how things are going from the contractor's point of view. PCTs should approach contract reviews in a supportive and facilitative way and seek to understand how contractors are delivering the activity. Whilst the model contract monitoring framework is being designed to cover all possible areas that could be monitored, it is

strongly recommended that PCTs apply a light touch using a limited number of elements of the framework.

PCTs should be clear about the aims and objectives of the review and ensure they are as open and transparent as possible. PCTs should provide contractors with details in advance of the scope of the review, including information about any preparation required of the contractor and who from the PCT will be attending.

During this first year of operation in particular, PCTs may wish to consider:

- The timeliness of the submission of FP17 forms, which may result in an understatement of UDA/UOA activity and income from patient charges. This is particularly relevant to the first six months' activity. (All forms should be submitted within two months of the completion of treatment.)
- The resources and investment required for PCTs to build and develop effective relationships with NHS dentists (i.e. PCTs need to be realistic about the resources it has available to devote to dental commissioning and contract monitoring).
- The approach to be taken in respect of contractors where there is still an outstanding dispute (an SHA-wide approach might be useful on this one).
- If the mid year review is the first formal contact the PCT has had with the contractor since the contract was signed, clearly this will influence how the PCT approaches the review.
- Ensuring a consistent and fair approach to monitoring all dental contracts including PCT salaried services, independent providers, Out of Hours providers and Dental Access Centres.
- Ensuring the minimum of burden on contractors and their staff to prepare for the monitoring meetings and review. The model framework being produced will include recommendations on how to fulfil monitoring requirements whilst at the same time not adding to bureaucracy and "red tape".
- Other information such as quantitative and qualitative information including monthly BSA activity and finance reports, patient feedback, information from PALS/complaints and recommendations from DPA and DRO visits. PCTs will need to ensure that if any information they are providing for a monitoring visit is sent, in advance, to the contractor for review.

PCTs may decide not to visit all practices formally in the first year, but if they do this they will have to ensure that practices understand any criteria used for a differential approach. Openness is a key aspect of contract monitoring.

#### **4. Opportunities afforded to PCTs by Dental Review Process**

The dental contract monitoring review process formed part of the discussion at the PCC Dental Learning Events for PCTs held in July 2006. Comments received from PCTs highlighted the following opportunities afforded to PCTs by the dental review process:

- Visiting all practices during the mid year review process to build and develop relationships with contractors.
- Gain an understanding of the factors relating to performance, and understand how the contractor's business operates.
- Remind all performers of the need to operate under their own performer's number.

- Remind all performers they only need to be on one PCT Dental Performers' List.
- Identify examples of good practice.
- Informing oral health needs assessment and discussing future commissioning priorities.
- Discussing the use of any future capital monies.
- Address any contractors' anxieties and concerns.

## **5. Development of a Contract Monitoring Framework**

Work is currently underway to develop a comprehensive contract monitoring framework for PCTs to use, which will contain workbooks covering access, governance, quality and activity/finance and a self-assessment tool for dentists to complete. It should be stressed that the framework will be all inclusive and something which PCTs should use over the next few years – hopefully focusing on particular sections (or part of sections) each year. In the first year in particular PCTs should be mindful that this is a new way of working for practices, and a new relationship. Keeping monitoring to a realistic minimum, by using a few key sections from the overall framework with each practice will bring significant benefits in the longer term. Sharing the overall framework menu with dentists is sensible, providing PCTs make it clear that only a very small part of it will be used for monitoring each year (a bit like choosing from a restaurant menu of what can be monitored in order to get a representative feel of how the contract is operating during the year).

It is anticipated that this work will be published on the PCC website by the end of September 2006.