Y Grŵp Iechyd a Gwasanaethau Cymdeithasol
Health & Social Services Group

Directors of Primary Care – all Health Boards
NHS Shared Services Partnership – for distribution to all NHS dental providers
British Dental Association Wales

21 December 2023

Dear Colleagues,

NHS DENTISTRY: CONFIRMATION OF CONTRACT REFORM OFFER FOR 2024-25

We'd like to take this opportunity to set out the proposal for practices wishing to participate in contract reform in 2024/25. We had hoped to issue this offer last month however, with agreement of the British Dental Association, we delayed slightly to prioritise reaching an agreement on the annual pay uplift for 2023/24.

We had also hoped that the current year would be our last under temporary arrangements however with negotiations for a substantive new dental contract only starting in September, it is unlikely we will conclude these and make the required legislative changes in time. We also recognise that practices need certainty about the immediate future.

You will be aware that we have held several engagement events throughout the year, and we speak with health boards and the British Dental Association regularly to get feedback on how the current reform offer is working. We have used that feedback to make some changes for next year. These changes relate to the new and historic patient requirements and recognise that we cannot continue to ask practices to take on new patients in the volumes they did last year and to a lesser extent this year. Since the re-start of reform in April 2022 over a quarter of a million new patients had gained access to NHS dental care. Whilst we still want to support practices to take on new patients where capacity is available, we also want to provide practices and the health boards with some flexibility to target activity in line with local needs. The revised metrics are set out in Annex 1.

Practices also retain the choice of either being part of the reform programme delivering the activity metrics set out in Annex 1 or returning to their contractual arrangements based wholly on delivery of Units of Dental Activity (UDA). The expected UDA target for these practices will return to 100% for 2024-25. Orthodontic practices will also return to 100% UOA activity.

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This letter also provides updated guidance for health boards in managing end of year reconciliation. We are committed to the principle of mitigation for those practices that see a disproportionate number of high needs patients. Again, we have listened to feedback and made amendments that trust reflects the feedback received. The revised guidance for 2023/24 is attached at Annex 2. We can also confirm that we intend to take a similar approach in 2024/25 recognising that some amendment will be required to reflect the 2024/25 metrics.

We will now begin work with our legal advisers to produce the Contract Variation Notice for next year and we are aiming to have that issued to contract holders early in the New Year.

Yours sincerely,

Paul Casey Diprwy Cyfarwyddwr o Gofal Sylfaenol ac Iechyd Meddwl Deputy Director of Primary and Community Care	**Julie Denley** Deputy Chief Operating Officer, Primary Care, Community & Mental Health Cwm Taf University Health Board On Behalf of NHS Wales

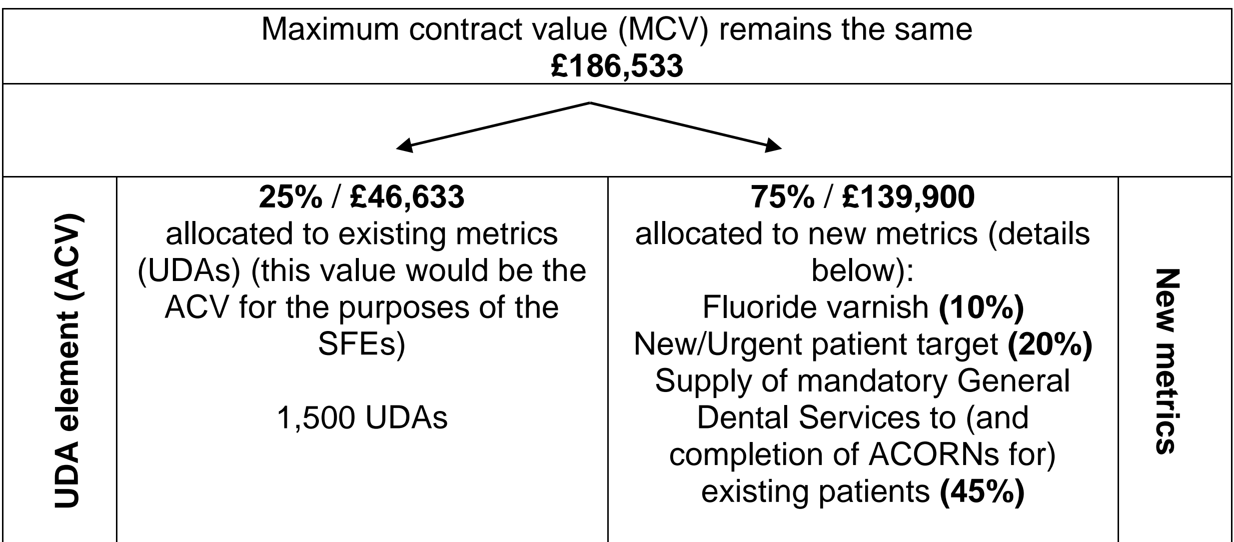
Annex A

CONTRACT REFORM VOLUME METRICS 2024-25

Worked example of a "standard" contract variation for 2024-25

The following example is illustrative and based on a notional GDS contract that currently has a contract value (ACV) of £186,533 and UDA target of 6,000 at £31.09 per UDA.

As in 2023-24 the Health Board and contractor will need to agree that for the 2024-25 financial year, the UDA target and the contract value allocated to UDA performance are both materially reduced in return for performance against the revised metrics for 2024-25. The example contract would, through an agreed variation, be varied so that:



Maximum contract value (MCV) remains the same **£186,533**			
UDA element (ACV)	**25% / £46,633** allocated to existing metrics (UDAs) (this value would be the ACV for the purposes of the SFEs) 1,500 UDAs	**75% / £139,900** allocated to new metrics (details below): Fluoride varnish **(10%)** New/Urgent patient target **(20%)** Supply of mandatory General Dental Services to (and completion of ACORNs for) existing patients **(45%)**	**New metrics**

Metrics for 2024-25

Whilst the ACV will be reduced to the 25% of the MCV, the contractor will be able to receive the balance of the MCV (£139,900) if they achieve all of the following metrics in full. The metrics purely determine whether there is an entitlement to the related payments. Failure to achieve a metric will therefore reduce the entitlement to full payment for that particular metric.

Fluoride varnish (no changes)

10% of the maximum contract value (£18,653) earned if fluoride is applied to 75% or more of all of the patient groups below. No payment will be made if there is a failure to reach that level.

In order to be entitled to the payment for this metric:
- At least 80%* of all Adult FP17Ws that indicate a caries risk of red or amber support the application of fluoride varnish as part of the treatment provided; and
- At least 80%* of all FP17Ws for Child patients aged 3 and over as well as for Child patients aged under the age of 3 with a risk of caries (caries risk of red or amber) support the application of fluoride varnish as part of the treatment provided

*A 5% tolerance is allowed i.e. the target is 75%.

New/Urgent patient target

20% of the maximum contract value (£37,307) earned if target met/exceeded. Pro-rata payment if the target is not met. **The percentage of contract value associated with the metric has been reduced to reflect the reduction in activity and transferred to the historic patient metric.**

In order to be entitled to full payment for this metric, the contractor must:

- accept (undertake an ACORN for and, where appropriate, provide appropriate mandatory services / a banded course of treatment for) at least 52 new patients per year (1 New Patient per week); **and**
- provide at least 104 urgent new patient appointments per year (2 appointments per week)

It would be proportionately higher/lower for higher/lower contract values.

A “New Patient” is someone in relation to whom the contractor has not submitted an FP17W with a completed COT in the four financial years preceding the appointment.

Health Boards and Practices can, if both parties want to, agree in advance the types of new patients who can be referred and the pathway of referral. Doing this in advance will ensure that there is clarity and what will be considered as part of year end reconciliation.

A new urgent patient will need to have an assessment, but no ACORN, and receive definitive urgent treatment to count towards the new urgent patient metric.

A 5% tolerance is allowed.

Supply of services to existing patients

45% of the maximum contract value (£83,940) earned if target met/exceeded. Pro-rata payment if target is not met. **The percentage of contract value associate with this metric has been increased to reflect the additional activity transferred from the new patient metric.**

Patients seen in the 2024-25 financial year for whom the contractor has submitted an FP17W in the previous four financial years will be considered Historic Patients. Historic Patients must be subject to an ACORN (either as part of the current course of treatment or where ACORN is recorded as being completed less than 12 months before the current course of treatment is completed) and, where appropriate, receive the appropriate mandatory services / Course(s) of Treatment (CoT) in the financial year.

In order to be entitled to full payment for this metric It is expected that a practice of the size used in this example would need to see a **1,510** Historic Patients.

A 5% tolerance is allowed.

Transferability of Historic, New and New Urgent Patient Metrics

The metrics set out above are the standard offer. For 2023/24 we introduced the concept that any over delivery on new patients that could be netted off the historic patient metric at a rate of 2.5 historic patients for 1 new patient. We would like to take this flexibility further this year and enable full transferability across all three categories of patient.

Practices should agree their intentions with the health board before the start of the year however this isn’t mandatory and can instead be dealt with through the year end reconciliation process.

Whether a practice is dependent on their health board for a supply of new and new urgent patients will also play a part in whether a conversation is needed before the start of the year.

We propose continuing the 2.5:1 ratio for new/historic patients and a worked example is provided below:

Historic Patient (HP)	**New Patient (NP)**	**New Urgent Patient (NUP**	**Comments**
1,510	52	104	Standard offer
1,570	40	92	60 additional HP results in 12 fewer NP and 12 fewer NUP
1435	76	110	24 additional NP and 6 NUP results in 75 less HP

We recognise that this additional flexibility makes monitoring ongoing delivery more complex as there are essentially no fixed targets. Practices may wish to use the formula below which creates a control total for the total number of patients needing to be seen factoring in the weighting for new and new urgent patients:

$$2.5 \times (NP=NUP) + HP = 1900$$

<u>Other requirements continuing from 2023-24</u>

- NHS Number – the NHSBSA is currently engaged in a project that we hope will auto-populate around 70% of historic patient NHS numbers and provide a digital solution for that to be uploaded into dental practice software via suppliers. For next year we are asking practices to continue where possible to collect NHS numbers for the remaining 30%. There is no metric assigned to this but we hope practices will support the collection as there will be many benefits in the long term.
- Did not Attend (DNA) – We are aware that DNAs are placing pressure on practices. We would remind practices that the Attend Anywhere platform is available for use. We have seen examples, particularly with new patients, where a pre-appointment call has reduced their DNA rate significantly. This is an area we want to continue to explore so we would ask practices to maintain good records with regards to DNAs and document the things you have tried to reduce your DNA rate.
- The contractual requirements in relation to providing urgent treatment will apply to all Historic Patients.

These will be contractual obligations (so failure would give rise to the usual rights/remedies for breach) but there will be no additional payment attached to them (although failure to comply with the ACORN requirement may also adversely impact on the level of payment available for new and historic patient metrics).

ACORN and FP17W data will continue to be collected and analysed during the year to allow refinement, identify issues and any unintended consequences as a result of this new way of working. Practices remaining on UDA arrangements are also encouraged to use ACORN and record outcomes.

To be clear this is not the new dental contract but a step on our journey to shaping a future contract that is fair and sustainable for all parties.

Annex 2

End of Year review and performance management of practices participating in the GDS Reform Programme: All-Wales approach – arrangement for 2023/24

Background:

Mitigation guidance was issued for 2022/23 end of year management to support practices that had seen a higher-than-average number of patients with high dental need. This revised guidance note sets the arrangement for 2023/24 and reflects lessons learned and feedback from stakeholders.

The substantive changes to the 2022/23 version of the guidance are as follows:

- Section 2 – amended to reflect the 2.5:1 NP:HP ratio
- New section 3 – additional flexibilities were offered to health boards around carryover of under performance after the mitigation guidance was issued last year. This section confirms arrangements for this and next year.
- Additional Notes section – the requirement to meet the health board/Wales average for laboratory-based work has been removed. Changes to the foundation dentist section to reflect the introduction of the new urgent patient metric.
- Changes to the foundation dentist section to reflect the introduction of the new urgent patient metric.

For clarity we would restate that any decision on financial sanction rests with the commissioning Health Board and this guidance does not seek to remove or interfere with their autonomy or decision-making responsibilities. Before any consideration is given to financial sanctions it is imperative that the practice and health board have an open conversation, as per the regulations to understand the reasons why the volume metrics have not been achieved.

Fundamentally, this guidance seeks to ensure that a practice is not disadvantaged for seeing a disproportionate or above the health board average of red ACORN patients. While the following guidance is designed to ensure that such practices are supported and not disadvantaged, there will be scenarios where a financial sanction is appropriate in order to ensure the proper stewardship of public funds. This guidance cannot cover all possible scenarios.

The guidance is intended for contract variation practices only. The guidance will assume that the fluoride metric has been achieved. Failure to meet this element of the contract variation has been clearly defined when setting out the contract variation offer in March 2023.

This guidance will be revised again to reflect changes for the 2024/25 contract reform variation.

1. Historic Patients (HP), New Patients (NP) and New Urgent Patients (NUP)

The target of 1280 HP, 104 NP and 156 NUP per £177.65K ACV are interchangeable **providing the NP metric has been met**. Each additional NP seen will result in a 2.5 reduction in the HP metric. For example, if a practice has seen 110 NP (additional 6), 156 NUP and 1255 HP (a reduction of 6x2.5=15) then the practice can be assumed to have achieved the metrics.

2. Mitigation Formula

For every 1% increase above the Health Board **median** average for red ACORN with 4 or more interventions, the annual HP, NP and NUP targets can be decreased by 2%.

For example: If the Health Board median average for Red ACORN with 4 or more interventions is 50% and a contract's mean average for Red ACORN with 4 or more interventions is 51%, the annual number of patients to be seen by the practice can be reduced by 31 patients for every 177.65k ACV (2% of 1540 total for every 177.65k ACV).

The 5% tolerance should be applied before any mitigation is applied.

3. Carryover of Underperformance

For 2022/23 Health Boards were offered additional flexibilities that permitted underperformance of up to 20% of an annual contract value to be carried forward into 2023/24. This provided practices the opportunity to earn back any underperformance in a defined timeframe.

Mid-year performance data suggests that at an all-Wales level the variation metrics are on course for delivery this year. These additional flexibilities are therefore withdrawn for the 2023/24 year-end process and carryover should be managed as per the regulations which provide for a 5% carryover.

Additional Notes

The definition of a high needs red ACORN patient is currently assumed to be 4 interventions and above. This is calculated by adding 1 to the average of 2.8 (the average number of interventions per patient that required an intervention in 2022/23) and then rounding up. Interventions for the purpose of this guidance are defined as the following items:

- endodontic_treatment_-_number_of_teeth
- permanent_fillings_&_sealant_restorations_-_number_of_teeth
- extractions_(general)_-_number_of_teeth
- crowns/onlays_provided_-_number_of_teeth
- upper_denture_(acrylic)_-_number_of_teeth
- lower_denture_(acrylic)_-_number_of_teeth
- upper_denture_(metal)_-_number_of_teeth
- lower_denture_(metal)_-_number_of_teeth
- veneers_applied_-_number_of_teeth
- bridges_fitted_-_number_of_teeth
- advanced_perio_rsd_-_number_of_sextants
- onlay_with_cusp_-_number_of_teeth
- pre_formed_crowns_-_number_of_crowns
- upper_and_or_lower_metal_denture_-_number_of_dentures
- prevention_and_stabilisation_-_number_of_teeth
- non-surgical_extraction_-_number_of_teeth
- surgical_removal_-_number_of_teeth

The NHSBSA eDen dashboard will, at year end, display the health board average Red ACORN high needs patient data (4 plus interventions) and the contract holder's Red ACORN high needs patient data (4 plus interventions) making it easier for contracting teams to apply mitigation if required. We have also asked NHSBSA to make this information available on a live basis. When this becomes available contract holders will receive an update via NHSBSA on how to access the information in eDen.

Foundation Dentists Activity and Contract Year-End Management

April-August – new patient target is 21 with up to 13 of those patients requiring an urgent course of treatment only
September-April – new patient target is 47 with up to 28 of those patients requiring an urgent course of treatment only

Any delivery above the new patient targets can be added to the practice's metrics at year end.