Guidance to support dental contract management arrangements for April 2021 to 30 September 2021

Contents

1. Introduction

The Covid-19 pandemic continues to have a significant impact on dental services and commissioning in the 2021/22 financial and contract year. This document describes the expectations, requirements, and financial arrangements for dental contractors. Temporary operational and contractual arrangements have been put in place which we expect to last between 1 April and 30 September in order to meet emergency and urgent dental care needs and to provide assurance and financial stability to the dental profession. This includes the minimum activity levels and measurements, adjustment for variable costs not incurred, and expectations for the annual declaration.

Contract management arrangements for the 2020/21 financial and contract year, including guidance and frequently asked questions, are available from the NHS Business Services Authority (NHS BSA) website[1]. PCC has produced a series of webinars to support the understanding of the arrangements for 2020/21[2], including the year-end reconciliation process.

The guidance is applicable to dental commissioners, contractors, and the wider dental community in England. Dental services operating under contract to the NHS in Northern Ireland, Scotland and Wales should refer to guidance and Standard Operating Procedures (SOPs) produced by the governing bodies and regulators in their devolved administration.

Covid-19 information and communication around dental practice can be accessed through the NHSE & NHSI (NHSE & NHSI) website[3]. This includes a Transition to Recovery SOP for dental practices, a separate Urgent Dental Care SOP, and a series of preparedness letters for primary dental care. The information will be updated in response to regulatory, clinical or operational changes due to the Covid-19 response.

[1] https://www.nhsbsa.nhs.uk/dental-contract-management-arrangements-202021-year-end-reconciliation
[2] https://www.pcc-cic.org.uk/dental-year-end-2020-21-webinars
[3] https://www.england.nhs.uk

2. Covid-19

The novel coronavirus SARS-CoV-2 and the associated disease Covid-19 was first identified in December 2019 in China. Transmitted between people through respiratory droplets, the World Health Organization (WHO) declared the outbreak of Covid-19 a pandemic on 11 March 2020.

In the UK, the spread of the virus escalated rapidly in March 2020 and reached its initial peak in April. Emergency measures were introduced with the aim of slowing the spread of the virus, including the closure of all but essential services, limiting the movement of people and the introduction of social distancing. A second wave saw its peak in January 2021, with a further national lockdown introduced.

Several coronavirus vaccines have been approved for use in the UK, and further vaccines are likely to be approved in 2021. The UK vaccine programme started in December 2020 with significant scaling up from January 2021. The initial focus was to offer vaccines to people at higher risk of developing serious illness from a coronavirus infection, including elderly and people with underlying health conditions, as well as frontline health and social care staff. The aim is for all adults to be offered a vaccine by the end of July 2021. Given the context, all arrangements will continue to be monitored.

3. Principles for reconciling April 2021 to September 2021 activity

The following details how activity undertaken between April 2021 to September 2021 will be processed and applies to General Dental Services (GDS) contracts and Personal Dental Services (PDS) agreements.

Practices are required to open throughout their contractual normal surgery hours with reasonable staffing levels for NHS services in place and to work to meet their contractual obligations as fully as possible. 100% NHS commitment is expected, with clawback initiated for activity below 60% UDA delivery for the period April to September and below 80% UOA delivery for the period April to September (60%/80% will be deemed 100% achievement for the relevant period and clawback tolerance remaining at 96% for annual deemed activity). Practices must also meet a set of conditions for income protection, these include a commitment to prioritise urgent care and use all NHS funding for NHS work. Section 3.1.2 describes these in detail.

3.1 1 April 2021 – 30 September 2021

Contractual arrangements and general principles from 1 April 2021 to 30 September 2021, include:

- Maximise safe throughput to meet as many prioritised needs as possible.
- Remain open throughout contracted surgery hours and prioritise care for patients who are considered at highest risk of oral disease, in line with the prevailing dental SOP and guidance.
- Use NHS funding to the full for the provision of NHS services.
- Ensure full compliance to Clause 59 of GDS/PDS contract agreements – that practices will not advise that NHS services are unavailable with a view to gaining their agreement to undergoing the treatment privately
- Continue preventative work (such as confirmation via the FP17 data that best practice prevention advice has been given to patients) and target efforts in a way that will reduce health inequalities (eg by

agreeing to see irregular attenders as well as usual patients). This will be auditable by local teams with an expectation that practices will be able to provide evidence of their efforts.

- Prioritise all known and unknown patients to the practice who require urgent dental care if contacted directly or via 111 services, as capacity allows.

- Keep contractual premises open throughout contracted surgery hours unless otherwise agreed via the regional commissioner.

- Complete and keep under review all staff risk assessments.

- Do not seek any duplicate or superfluous funding from the NHS or other government sources – including furlough or additional sick or parental leave pay that was not used to pay for cover.

- Continued submission of the monthly workforce return.

- For this period, GDS contracts and PDS agreement holders will continue to be paid monthly payments of 1/12th of their Negotiated Annual Contract Value (NACV), less any PCR collected. There will also be a 16.75% adjustment, processed as part of the year-end reconciliation, to reflect variable costs not incurred due to the reduced patient care activity will be applied to all contracts that have achieved:

    - 36% or greater of the UDA activity target

    - 56% or greater of the UOA activity target

    - Section 3.1.3 Adjustment describes the calculations in further detail.

The above conditions, and those set out in section 3.1.4, apply to all GDS contracts and PDS agreements that provide mandatory, advanced mandatory (including domiciliary, sedation, public health and orthodontic services). Community Dental Services and Any Qualifying Providers PDS agreements are covered in Section 9 and 10.

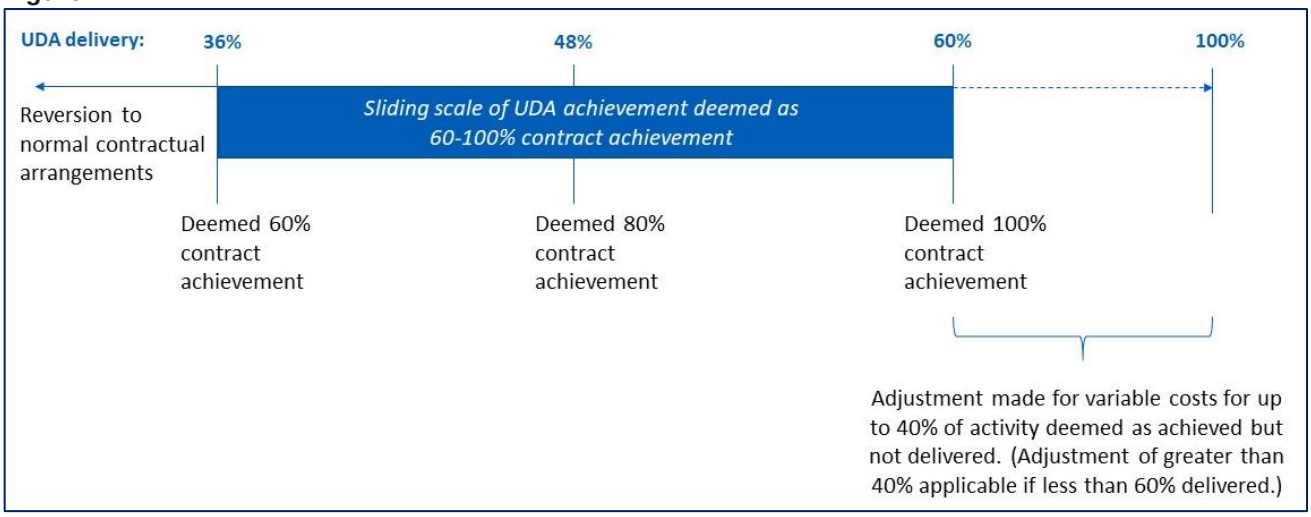
Where any of the above arrangements or requirements have not been met, the providers will revert to usual contractual arrangements

3.1.1 Activity requirements for 1 April 2021 – 30 September 2021 - UDA contracts

From the 1 April 2021 activity measurement will continue to be standard (pre-Covid) contractual metrics, UDA/COT[4] measurement, with practices working towards delivering reduced activity levels, with a requirement to deliver a minimum 60% of contractual monthly activity between April and September.

Figure 1 summaries the arrangements for this period.

Figure 1



The 60% of contracted activity between April and September is calculated by:

- Calculating 6 months (50%) of the annual contracted UDAs, for example a contract with a 12,000 UDAs is multiplied by 0.5 to give 6 months pro rata activity of 6,000 UDAs

- Next calculate 60% of this 6-month figure by multiplying 6,000 UDAs by 0.6 to give an upper threshold of 3,600 UDAs to be achieved between April to September.

Where contractors deliver 60% of activity in April to September:

- This will be deemed to be equivalent to 100% of usual contract activity in this period for the mid-year review.

[4] Courses of treatment completed from 1st April onwards and submitted within the 60-day rule.

- Any activity over 60% means a reduction to the adjustment for variable costs not incurred, applied at year end. There will be no carry forward of activity above 60% to the second part of the year.

Where contractors deliver at least 60% of this 60% cumulative activity in April to September (i.e. at least 36% of contracted activity for this period):

- This will be deemed to be equivalent to the percentage of 60% of usual activity in this period and is calculated by 100/60 multiplied by actual activity delivered in this 6-month period[5]. For example, a contract with 12,000 UDAs has a pro rata 6 month upper-threshold of 6,000 UDAs, if 36% is achieved (2,160UDAs)[6] then the deemed activity is calculated by 100/60 multiplied by 2,160 UDAs to give 3,600 UDAs for this period for the mid-year review.

- Activity delivered above 100%[7] in the second half of the year can be used to offset any under-delivered activity in the April to September period at year end reconciliation.

Where contractors deliver less than 60% of this 60% cumulative activity in April to September (i.e. less than 36% of contracted activity for this period):

- Contractors will be deemed to have delivered only the actual activity delivered in the months April to September. For example, a contract with 12,000 UDAs has a pro rata 6-month target of 6,000 UDAs if 35% of this target is achieved (2,100 UDAs) then this figure is used for this period for the mid-year review.

- Activity delivered above 100% in the second half of the year can be used to offset any under-delivered activity in the April to September period at year end reconciliation.

Carry forward guidance can be found in section 4 2021/22 Year End and Section 5 Carry Forwards.

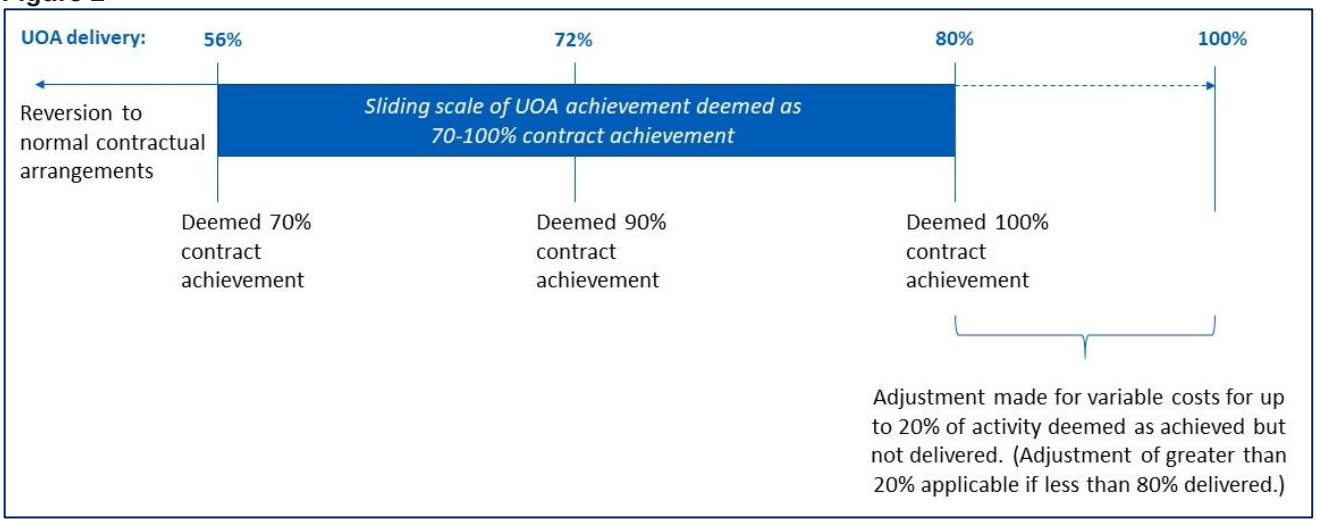
[5] This calculation produces deemed activity
[6] 6000 UDAs / 100 multiplied by 36% is 2,160 UDAs delivered between April to September.
[7] Contract arrangements for October 2021 to March 2022 yet to be confirmed

3.1.2 Activity requirements for 1 April 2021 – 30 September 2021 - UOA contracts

For UOA activity, the same principles apply with the exception that providers are expected to achieve 80% between April and September.

Figure 2 summaries the arrangements for this period.

Figure 2



The 80% of contracted activity between April and September is calculated by:

- Calculating 50% (6 months) of the annual contracted UOAs, for example a contract with a 12,000 UOAs is multiplied by 0.5 to give 6 months pro rata activity of 6,000 UOAs

- Next calculate 80% of this 6-month figure by multiplying 6,000 UOAs by 0.80 to give an upper-threshold of 4,800 UOAs to be achieved between April to September.

Where contractors deliver 80% of activity in April to September:

- This will be deemed to be equivalent to 100% of usual contract activity in this period for the mid-year review.

- Any activity over 80% means a reduction to the adjustment for variable costs not incurred, applied at year end. There will be no carry forward of activity above 80% to the second part of the year.

Where contractors deliver at least 70% of this 80% cumulative activity in April to September (i.e. at least 56% of contracted activity for this period):

- This will be deemed to be equivalent to this percentage of 80% of usual activity in this period and is calculated by 100%/80% multiplied by actual activity delivered in this 6-month period[8]. For example, a contract with 12,000 UOAs has a pro rata 6 month upper-threshold of 6,000 UOAs, if 56% is achieved (3,360 UOAs)[9] then the scaled up deemed activity is calculated by 100%/80% multiplied by 3,360 UOAs to give 4,200 UOAs for this period for the mid-year review.

- Activity delivered above 100%[10] in the second half of the year can be used to offset any under-delivered activity in the April to September period at year end reconciliation.

Where contractors deliver less than 70% of this 80% cumulative activity in April to September (i.e. less than 56% of contracted activity for this period):

- Contractors will be deemed to have delivered only the actual activity delivered in the months April to September. For example, a contract with 12,000 UOAs has a pro rata 6-month target of 6000 UOAs if 55% of this target is achieved (3,300 UOAs) then this figure is used for this period for the mid-year review.

- Activity delivered above 100% in the second half of the year can be used to offset any under-delivered activity in the April to September period at year end reconciliation.

3.1.1 Adjustment to reflect reduced variable costs

A 16.75% adjustment to reflect variable costs not incurred due to the reduced patient care activity will be applied to all contracts that have achieved:

- 36% or greater of the UDA activity target

- 56% or greater of the UOA activity target

[8] This calculation produces deemed activity
[9] 6000 UOAs / 100 multiplied by 56% is 3,360 UOAs delivered between April to September
[10] Contract arrangements for October 2021 to March 2022 yet to be confirmed

The adjustment will be based on undelivered activity between April 2021 to September 2021 and processed as part of the year-end reconciliation. It is calculated as follows:

- Providers who achieve **60%** or greater between 1 April and 30 September 21 will be subject to an adjustment of 16.75% of the NACV to reflect variable costs not incurred due to the reduced patient care activity. This is applied to any undelivered activity between 1 April to 30 September (Undelivered activity =Total contracted UDA (Apr-Sept) – Actual UDA activity (Apr-Sept)).

  For example, a provider has an annual contract of 12,000 UDAs at a value of £25/UDA[11] and achieved 60% at 30 September. The total contracted UDAs for Apr-Sept equates to 6,000 UDAs. 3,600 UDAs were delivered in total for this period (actual UDA activity). The undelivered activity would be 6,000 UDAs minus 3,600 UDAs which equals 2,400 UDAs. A 16.75% cost adjustment will be applied to the 2,400 UDAs to give 16.75% x 2,400 UDAs x £25 = £10,050

  The same calculation applies to UOA activity that is 80% or greater.

- Providers who achieve **36% to 59.99%** between 1 April and 30 September 21 will be subject to an adjustment of 16.75% of the NACV to reflect variable costs not incurred due to the reduced patient care activity will be applied to any actual activity that was not delivered and is not being clawed back[12]. . Undelivered activity = Total contracted UDA (Apr-Sept) – Actual UDA activity (Apr-Sept)). This ensures that the variable costs adjustment is not applied to the portion of activity that is subject to clawback. For example, a provider has an annual contract of 12,000 UDAs at a value of £25/UDA and achieved 36%. The total contracted UDAs for Apr-Sept equates to 6,000 UDAs. 2,160 UDAs were delivered in total for this period (actual UDA activity). The undelivered activity would be 6,000 UDAs minus 2,160 UDAs which equals 3,840 UDAs.

[11] This is an example figure to illustrate the workings out
[12] This is to ensure that - Where clawback and a variable cost adjustment applies the variable cost adjustment will not be applied to any portion of the activity that is subject to clawback

Next the number of UDAs that clawback is calculated against is worked out which is subtracted from the undelivered activity. A 16.75% cost adjustment will be applied to this figure.

Activity delivered above 100% in the second half of the year may reduce the adjustment amount for the April to September period.

The same calculation applies to UOA activity that is between 56% and 79.99%.

- For providers achieving **less than 36%** (i.e. less than 60% of deemed annual contracted activity) no additional adjustment will be made as this will be incorporated into the claw back amount at year-end reconciliation.

  The same calculation applies to UOA activity that is less than 56%

3.1.2 Practice expectations

Practices are also expected to meet the following conditions, along with those mentioned in section 3.1.1. Any breach of those conditions will result in the application of the usual contractual arrangements and claw back, instead of any waiver of claw back rights:

- A commitment to maximise safe throughput in the spirit of meeting as many prioritised needs as possible;

- A commitment by practices to remain open throughout contracted normal surgery hours and to prioritise care for patients who are considered at highest risk of oral disease in line with the prevailing dental SOP and guidance;

- A commitment to utilise NHS Funding to the full for the provision of NHS services and ensure full compliance to clause 59 of GDS/PDS contract agreements

- A commitment to continue preventative work (such as confirmation via the FP17 data that best practice prevention advice has been given to patients) and to target their efforts in a way that they judge will reduce

health inequalities (for example agreeing to see irregular attenders in addition to usual patients). This will be auditable by local teams with an expectation that practices will be able to provide evidence of their efforts;

- Practices will prioritise all known and unknown patients to the practice who require urgent dental care if contacted directly or via 111 services, as capacity allows

- An expectation that all contractual premises remain open throughout normal surgery hours unless otherwise agreed via the regional commissioner

- A commitment to complete and keep under review all staff risk assessments

- A commitment not to seek any duplicate or superfluous funding from the NHS or other Government sources – including furlough or additional sick or parental leave pay that was not used to pay for cover;

3.2 Urgent Dental Centres (UDC)

There are currently more than 600 UDCs in operation across England. Established with minimal preparation through effective partnership working between NHSE & NHSI, NHS trusts and providers, UDCs provide urgent and emergency dental care via referrals from NHS 111. UDCs played a particularly critical role during the April to June closure period, ensuring that patients across England had access to face to face treatments at time of need. They continued to provide vital additional capacity for treatments as practices were reopening and will ensure that urgent dental care needs are met in the event of further national, regional or local lockdowns.

UDC contractors are expected to meet the contractual requirements and activity thresholds set out above.

Specific circumstances associated with UDCs could adversely affect their ability to meet their activity target. This may include a lack of referrals and a higher than average level of complex cases. Should a UDC contractor be unable to meet the activity target, they can apply for an exceptional

adjustment to their delivery levels. This applies for the period they were operating as a UDC.

The following conditions need to be met for the application to be considered. The contractor:

(i) has not been able to deliver activity to meet the adjusted threshold of 60% of usual activity (corresponding to 100% of contractual activity in April-September 21) and

(ii) the actual level of activity delivered was lower than it would have been were they not acting as a UDC and

(iii) they can demonstrate this to their commissioner.

UDC contractors who delivered less than 60% of usual activity in this period and wish to apply for an adjustment will need to provide evidence to their commissioner. They should demonstrate the level of activity they believe they would have delivered during this period had they operated as a general practice with an adjusted activity target. This may be based on FP17/FP17O data from recent years and their previous performance against activity targets.

The commissioner should consider the evidence carefully before reaching a decision. They can choose to adjust the contractor's delivery, up to the level the contractor can demonstrate they would have delivered during that period. The adjustment can be set to a maximum of 104% of usual activity for the period they were a UDC. Should the adjustment result in delivery below 60%, financial claw back will apply in accordance with the below year end reconciliation outcomes.

The 16.75% adjustment for variable costs not incurred during the period 1 April to 30 September 2021 will be applied to all UDC providers, as is for other contractors. This will be based on actual delivery, not the commissioner agreed adjusted figure or deemed delivery, in accordance with the arrangements outlined in section 3.1.3. The adjustment will not be applied to any amount subject to claw back at year-end reconciliation.

4. Mid-Year Review

A mid-year review will be carried out according to paragraph 58 of Schedule 3 of the GDS Regulations and the same provision in the PDS Regulations.

The Commissioner must, by 31 October in the relevant financial year, determine the number of UDAs and UOAs that the contractor has provided between 1 April and 30 September in that year. This information will be based on the notifications of treatment (FP17s and FP17Os) made by the contractor under paragraph 38 of Schedule 3 of the GDS Regulations and paragraph 39 of Schedule 3 of the PDS Regulations and provided to the Commissioner by NHS BSA Provider Assurance Dental. Where the notifications of treatment are disputed by the contractor, the contractor should liaise directly with NHS BSA Provider Assurance Dental for resolution of their issue.

Delivery of contracted activity is not considered to commence until a contractor has delivered activity brought forward from previous contractual years. Delivery of brought forward activity will be reviewed at the Mid-year point and will not contribute to the 30% threshold.

Notifications of courses of treatment must be made within 2 months of a course of completed treatment. Contractors must ensure that notifications are made on time as the Commissioner is not obliged to pay for activity which is not notified in accordance with this 2-month deadline.

In accordance with the GDS and PDS regulations, the mid-year review will be based around delivering 30% of the activity required in that financial year (between 1 April and 30 September). The activity required is the 60% threshold for clawback, therefore the following scenarios apply

Where the contractor has provided more than 30% of the activity that it is required to deliver in that financial year (30% of the 60% threshold for clawback between 1 April and 30 September) NHS BSA Provider Assurance Dental will send a letter to the contractor confirming this position.

- Where a contractor has delivered more than 30% of the activity, a mid-year review meeting is not required.

- The contractor should be advised that over delivery is at local discretion. The Commissioner may agree to carry forward up to 2 percent of activity in the following financial year or pay for the additional activity.

Where the contractor has provided less than 30 percent of the activity that it is required to deliver in that financial year (30% of the 60% threshold for clawback between 1 April and 30 September) NHS BSA Provider Assurance Dental will:

- notify the contractor about the activity provided under the contract in the first half of the year;

- set out the number of UDAs and UOAs that the contractor has provided together with the percentage total of the total number of UDAs and UOAs that this represents;

- require the contractor to participate in a mid-year review of its performance in relation to the contract;

- request a SMART plan from the contractor.

As the contractor has failed to meet the minimum 36%/56% threshold for clawback, only actual activity will be counted and notified in the mid-year letter.

UDA and UOA activity less than 30% will be considered under delivery.

Course of Treatment (sedation, domiciliary CDS and AQP) activity as well as other additional services are not considered as part of the NHS BSA Provider Assurance Dental mid-year review however can be reviewed at a local level if required.

Where the contractor has provided less than 30 percent of the activity that it is required to deliver in that financial year (30% of the 60% threshold for clawback between 1 April and 30 September) this may result in further contractual action for example withholding of payment in line with section 9.3.4 Withholding Payments Following a Mid-Year Review in the Policy Book for Primary Dental Services.

4.1 Practice expectations – UDA activity

The possible outcomes for April to September are as follows:

Provider achieves 60% or above between 1 April to 30 September 21, (for the purposes of 2021/22 this is deemed to be the equivalent to 100%) and has met all associated conditions.

- There will be no claw back based on activity levels, provider will be deemed to have delivered 100% of their contracted annual activity
- A 16.75% adjustment to reflect variable costs not incurred due to the reduced patient care activity will be applied in place of the usual clawback.

Worked example:

Practice A

Non-UDC with a contract to deliver 13,000 UDAs annually at £25/UDA. From April they are carrying out on average 62% of usual contractual activity.

At the end of September 2021, the practice will have delivered 62% of contracted activity, which is deemed to be 100%. An adjustment, provisionally £10,335.60, will be applied at year-end reconciliation for variable costs not incurred.

Table 3

	UDA delivery*					
Month	Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21
% of annual activity	50%					
21/22 monthly targets	650	650	650	650	650	650
Activity delivered	669	673	667	674	679	665
% activity delivered in month	62%	62%	62%	62%	62%	62%

* UDAs: 13,000 annually / 1,083 monthly. Adjusted monthly UDA target: 650

Adjustment calculation
Total contracted UDA (Apr-Sep) – Actual UDA activity (Apr-Sep) = Undelivered activity:
6,500 – 4,027 = 2,473

Undelivered activity * 16.75%: 2,473 * 16.75% = 414 UDAs
Adjustment value: 414 * £25 = £10,355.60

Provider achieves 36% to 59.99% between 1 April to 30 September 21.

Provider has met all associated conditions.

- Claw back will be based on the annual deemed level of activity.
- Any carry forward will be confirmed at year end.
- A 16.75% adjustment to reflect variable costs not incurred due to the reduced patient care activity will be applied to any actual activity that was not delivered and is not being clawed back.

Worked examples:

Practice B

Non-UDC with a contract to deliver 27,000 UDAs annually at £25/UDA. The practice is carrying out 50% of usual contractual activity in April and aims to increase to 53% from May onwards.

At the end of September 2021, the practice will have delivered 53% of contracted activity. This equates to 88.3% deemed contract activity. An adjustment, provisionally £26,829, will be applied at year-end reconciliation for variable costs not incurred. The calculation of clawback at year end will take into consideration any adjustments made for variable costs in the year so these are not adjusted for twice.

Table 4

	UDA delivery*					
Month	Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21
% of annual activity	50%					
21/22 monthly targets	1350	1350	1350	1350	1350	1350
Activity delivered	1135	1189	1190	1198	1182	1199
% activity delivered in month	50%	53%	53%	53%	53%	53%

* UDAs: 27,000 annually / 2,250 monthly. Adjusted monthly UDA target: 1,350

Adjustment calculation
Total contracted UDA (Apr-Sep) – Actual UDA activity (Apr-Sep) = Undelivered activity:
13,500 – 7,093 = 6,407
Undelivered activity * 16.75%: 6,407 * 16.75% = 1,073.17 UDAs
Adjustment value: 1,073.17 * £25 = £26,829.25

Provider achieves 35.99% or less between 1 April to 30 September 21.

Provider has met all associated conditions.

- Claw back will be based on the annual actual level of activity
- A provider will be deemed to have delivered only the actual activity delivered in months April to September.

Worked example:

Practice C

Non-UDC with a contract to deliver 21,000 UDAs annually. The practice is operating at 24% of usual contractual activity from April, aiming to increase to 30% by September.

At the end of September 2021, the practice will have delivered 27% of contracted activity in the period April to September. Any claw back will be applied at year end reconciliation. Mid-year review action may be taken in the meantime.

Table 5

	UDA delivery*					
Month	Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21
% of annual activity	50%					
21/22 monthly targets	1050	1050	1050	1050	1050	1050
Activity delivered	421	448	462	488	501	531
% activity delivered in month	24%	26%	26%	28%	29%	30%

* UDAs: 21,000 annually / 1,750 monthly. Adjusted monthly UDA target: 1,050

Adjustment Calculation

No adjustment made as the provider has not achieved 36% - there will be full clawback which will be applied at year end reconciliation

4.2 Practice expectations – UOA activity

The possible outcomes for the year end reconciliation are as follows:

Provider achieves 80% or above between 1 April to 30 September 21, (for the purposes of 2021/22 this is deemed to be the equivalent to 100%) and has met all associated conditions.

- There will be no claw back based on activity levels, provider will be deemed to have delivered 100% of their contracted annual activity
- A 16.75% adjustment to reflect variable costs not incurred due to the reduced patient care activity will be applied in place of the usual clawback.

Provider achieves 56% to 79.99% between 1 April to 30 September 21

Provider has met all associated conditions.

- Claw back will be based on the annual deemed level of activity.
- Any carry forward will be confirmed at year end.
- A 16.75% adjustment to reflect variable costs not incurred due to the reduced patient care activity will be applied to any actual activity that was not delivered and is not being clawed back.

Provider achieves 55.99% or less between 1 April to 30 September 21

Provider has met all associated conditions.

- Claw back will be based on the annual actual level of activity
- A provider will be deemed to have delivered only the actual activity delivered in months April to September.

Worked examples:

Practice E

Non-UDC practice with a contract to deliver 8,500 UOAs annually. The practice carried out 90% of usual activity in April due to increased patient demand, they aim to average 83% by 30 September.

At the end of September 2021, the practice will have delivered 83%, which is deemed to be 100%, of contracted activity in the period April to September. An adjustment, provisionally £3,006.63, will be applied at year-end reconciliation for variable costs not incurred, in relation to any activity that was not delivered.

Table 6

	UOA delivery*					
Month	Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21
% of annual activity	50%					
21/22 monthly targets	708	708	708	708	708	708
Activity delivered	634	620	589	570	559	558
% activity delivered in month	90%	88%	83%	81%	79%	79%

* UOAs: 8,500 annually / 708 monthly. Adjusted monthly UOA target: 566.4

Adjustment calculation
Total contracted UOA (Apr-Sep) – Actual UOA activity (Apr-Sep) = Undelivered activity:
4,248 – 3,530 = 718
Undelivered activity * 16.75%: 718 * 16.75% = 120 UDAs
Adjustment value: 120 * £25 = £3,006.63

Practice F

Orthodontic practice with a contract to deliver 19,000 UOAs annually. The practice delivered 45% of usual activity in April. They are aiming to increase their capacity but are unlikely to meet the 56% threshold.

At the end of September 2021, the practice will have delivered 47% of contracted activity in the period April to September. Any claw back will be applied at year end reconciliation. Mid-year review action may be taken in the meantime.

Table 7

	UOA delivery*					
Month	Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21
% of annual activity	50%					
21/22 monthly targets	1266.4	1266.4	1266.4	1266.4	1266.4	1266.4
Activity delivered	712	730	749	775	787	799
% activity delivered in month	45%	46%	47%	49%	50%	50%

* UOAs: 19,000 annually / 1,583 monthly. Adjusted monthly UOA target:

Adjustment Calculation

No adjustment made as the provider has not achieved 56% - there will be full clawback which will be applied at year end reconciliation

5. Carry Forwards

2019/20:

- Contractor over and under performance from 19/20 will have been reconciled as part of the year end process.
- For providers that have a carry forward of either over or under-delivered activity that has not been delivered in 2020/21 there are two options available:
- Commissioners can reserve the right to transfer over or under delivered activity from 2019/20 into a future year; with the expectation that this is delivered in 2021/22 unless subject to a local negotiation/agreement with the contractor.
- Alternatively, over and under performance from 2019/20 can be added to the expected delivery for 2021/22.

2020/21:

- Contracts that are deemed to have delivered at least 96% and less than 100% of their deemed annual activity will have their outstanding activity up to 100% carried forward.
- For contractors that have delivered more than 45% activity between 1 January to 31 March, over-performance of up to 2% (4% may be allowed in specific, agreed circumstances) can be carried forward and reduce the contractual requirement in 21/22. Once the 45%/70% target has been reached, the UDA/UOAs delivered will be counted as standard contractual UDA/UOAs, not the 100/45 or 100/70 deemed delivery calculation.

2021/22

- Carry forward of under-delivered activity from previous year/s will need to be completed within the first 90 days, unless agreed otherwise. The carry forward activity will be at normal rates i.e. 1 UDA for 1 UDA and not at the enhanced rated used to calculate the April to September activity.

- Delivery of contracted activity is not considered to commence until a contractor has delivered activity brought forward from previous contractual years. Contractors achieving below 60%/80% of contracted activity for the period April to September as result can deliver above 100% in the second half of the year to make up the deficit (at a rate of 1 UDA/UOA for 1 UDA/UOA and not at the enhanced rate). See sections 3.1.1 and 3.1.2.

- Carry forward of under-delivered activity will not form part of the deemed activity calculation for April to September.

- Carry forward of over-delivered activity will result in a reduction in the UDA/UOA activity requirement for 21/22.

- Carry forward from 21/22 will be confirmed as part of the year end reconciliation.

6. Exceptional circumstances

In accordance with the Policy Book for Primary Dental Services there may be instances in which a contractor is unable to fulfil its requirements to deliver the annual contractual activity.

As part of the Covid response and recovery, the payment policy for April to September 2021 has been designed around providing a safe level of patient numbers in practice, to accommodate continued infection prevention and control and social distancing guidance, income protection, and stability in response to the service disruption experienced by practices nationally as a result of the pandemic. To a large degree, this has removed any need to claim force majeure, as NHSE & NHSI reduced the performance requirements and made payments exceeding what would strictly be payable under the contract terms otherwise.

To be considered for further relief for inability to meet even the reduced requirements, would require a contractor to demonstrate that it has been impacted in a specific way over and above the impact that the pandemic has had across the wider contractor group generally.

Contractors wishing to claim exceptional circumstances must notify the Commissioner as soon as possible and within five working days. However, Commissioners would only approve these as exceptional circumstances where they have endured and have precluded the ability for contractors to make up the shortfall in the months preceding or following the exceptional circumstances. These cases will be considered on an individual basis and could include a decision by the Commissioner to waive its rights to recover any portion of the financial claw back.

Providers are encouraged to liaise with commissioners early if they feel that any contractual conditions are not being met, and to work with the commissioner to improve compliance in order to improve access and reduce the likelihood of clawback being necessary.

The established process outlined in chapter 17 of the Policy Book for Primary Dental Services[13] should be followed in these circumstances.

[13] https://www.england.nhs.uk/wp-content/uploads/2018/04/policy-book-for-dental-services.pdf

7. Annual declaration

As part of the year end reconciliation process, contractors will be required to complete and submit an annual declaration via Compass. In order to fully meet the year end reconciliation obligations, the declaration and associated documentation must be submitted in full, as well having met the activity targets and contractual requirements set out in chapter 3. Failure to complete the annual declaration in full may result in the contract reverting to usual contractual arrangements.

The declaration covers the following:

- Completion of workforce risk assessments;
- Completion of the monthly workforce return and retention of the workforce;
- Declaration of proportion of NHS and Private turnover;
- Declaration of surgery opening hours and availability of NHS services;
- Practice has an NHS nhs.net email address that is active;
- Practice has not received any duplicate or superfluous funding from the NHS or other Government sources – including furlough or additional sick or parental leave pay that was not used to pay for cover;
- Have ensured that face to face urgent dental care is available for regular and nonregular attenders via direct contact or referral via 111;
- Have reviewed any interrupted patient care pathways and restarted these where appropriate to do so; and
- Have ensured that patients who normally attend the practice are prioritised for care in terms of their risk.

NHS Business Services Authority (BSA) will manage this process as part of the National Dental Contract Management year end delivery reconciliation. The form will be available in Compass ahead of the year end reconciliation process.

8. Dental foundation trainees

Current funding streams for dental foundation trainees are expected to fully cover the trainee's salary costs, compensate trainers for time and business/capital costs, and for supervising trainees. Business costs include pay and non-pay costs.

There is an expectation that trainees will deliver around 1,875 UDA's per annum, performance varies for each trainee. Service costs do not attract superannuation.

For the avoidance of doubt, activity undertaken by dental foundation trainees from 1 April 2021 to 30 September 2021, and submitted within the 60-day rule, will count towards delivery of the trainer's mandatory services contract from 1 April to 30 September 2021.

9. Community Dental Services

Community Dental Services (CDS) provide dental services to patients who are unable to be seen on the High Street due to having complex health needs and/or being medically compromised. CDS services often provide bolt on services such as epidemiology, oral health promotion, GA and paediatric services.

PDS agreements are the preferred contracting mechanism for CDS commissioning. They enable local commissioning arrangements and the inclusion of key performance indicators (KPIs) to support delivery of care to this vulnerable patient population. KPIs may include patient numbers, complexity of patients seen, and waiting times for assessment and treatment.

While UDAs are the activity metric for PDS agreements, this is not necessarily suited to delivery of care for patients who fall under the remit of a CDS, and to ensure services operate within the parameters of the regulations, a notional number of UDAs are established.

Current holding arrangements, as set out in the letter of preparedness apply to CDS unless alternative arrangements have been agreed as part of the local response to Covid. An example of those arrangements would be re deployment of the CDS workforce or operating as an Urgent Dental Care (UDC) hub.

The local population health need, historic commissioning arrangements, ability to restore and recover services, and market forces, will vary widely across the seven Regions in England. We are therefore proposing each Region manages CDS commissioning arrangements on a local basis from 1 April to 30 September 2021. These can be a continuation of the arrangements from 20/21 or a new set of arrangements. The national team will collect data on local commissioning arrangements agreed for 20/21, further information to follow.

April to September 2021 arrangements

Revised UDA and KPI targets and any potential clawback should be agreed and communicated with the CDS contractor.

Guiding principles for commissioners are set out as follows:

1. Local commissioners will work with their CDS providers to ensure that any contractual targets and KPIs take account of the provider's circumstances during the current pandemic;

2. The targets should reflect the importance of maximising access for this population and be reasonable and reflect the challenges involved in providing dental services for people with complex health needs

3. These circumstances will include such things as fallow time, responsibilities for providing general anaesthetic, redeployment of staff to support other areas of the NHS, vulnerability of CDS patients, the need for social distancing within clinics and the fact that the CDS is a referral service whose patients usually have a high level of dental need;

4. CDS services treat the most vulnerable members of society and there is a need to ensure the stability of services;

5. Maintaining regular contact with CDS providers so problems can be prevented at an early stage and the providers feel supported;

6. Commissioning teams should also agree a set of criteria for clawback for CDS contractors at year end reconciliation. This would be expected to include a cost adjustment for variable costs not incurred for undelivered activity. If Regions implement a cost adjustment, this can be based on the criteria set for GDS contractors;

7. The arrangements for CDS providers for the April to September 2021 period should be clearly documented, including the rationale and principles used for determining the contractual targets and/or KPI's and any potential clawback; and

10. Any Qualified Provider (AQP) contracts

Any qualifying provider (AQP) services provide tier 2 and 3 dental services to patients, who are unable to receive care in a mandatory service dental setting, and their care can be provided locally due to local commissioning arrangements.

AQP contracts include Intermediate Minor Oral Surgery (IMOS), endodontic and periodontal treatment, prosthodontics, and restorative dentistry.

PDS agreements are the preferred contracting mechanism for AQP commissioning. They enable local commissioning arrangements and the inclusion of key performance indicators (KPIs) to support delivery of care.

While UDAs are the activity metric for PDS agreements, this is not necessarily suited to delivery of care for patients who fall under the remit of an AQP contracting arrangement, to ensure services operate within the parameters of the regulations, a notional number of UDAs are established.

Current holding arrangements, as set out in the letter of preparedness apply to AQP unless alternative arrangements have been agreed as part of the local response to Covid. An example of those arrangements would be re deployment of the AQP workforce or operating as a UDC hub.

The local population health need, historic commissioning arrangements, ability to restore and recover services, and market forces, will vary widely across the seven Regions in England. We are therefore proposing each Region manages AQP commissioning arrangements on a local basis from 1 April to 30 September 2021. These can be a continuation of the arrangements from 20/21 or a new set of arrangements. The national team will collect data on local commissioning arrangements agreed for 21/22, further information to follow.

April to September 2021 arrangements

Revised UDA and KPI targets and any potential clawback should be agreed and communicated with the AQP contractor.

Guiding principles for commissioners are set out as follows:

1. Local commissioners will work with their AQP providers to ensure that any contractual targets and KPIs take account of the need to maximise access for patients as well as provider's circumstances during the current pandemic;

2. These circumstances will include such things as fallow time, responsibilities for providing courses of treatment and general anaesthetic, redeployment of staff to support other areas of the NHS, vulnerability of AQP patients, the need for social distancing within clinics and the fact that the AQP arrangements are a referral service whose patients usually have a high level of dental need;

3. Maintaining regular contact with AQP providers so problems can be prevented at an early stage and the providers feel supported;

4. The targets should be reasonable and reflect the challenges involved in providing dental services for people with complex dental needs;

5. The UDA target should be agreed locally and will be dependent on local market forces;

6. Commissioning teams should also agree a set of criteria for clawback for AQP contractors at year end reconciliation. This would be expected to include a cost adjustment for variable costs not incurred for undelivered activity. If Regions implement a cost adjustment, this can be based on the criteria set for GDS contractors;

7. The arrangements for AQP providers for the April to September 2021 period should be clearly documented, including the rationale and principles used for determining the contractual targets and/or KPI's and any potential clawback; and

11. October 2021 to March 2022

Contractual arrangements and associated guidance covering the remainder of 2021/22 will be published in due time.