

Learning the lesson

David Paul compares the new contracts implemented for doctors and dentists.

Both branches of the primary care providers have had new contracts in recent past. The doctors' contract was introduced on April 1, 2004, with the dentists following in 2006. The way the contracts were introduced and the Government's agenda in both cases makes for interesting reading.

Doctors, well led by the British Medical Association, are an organised powerful lobby. The dental profession on the other hand is less unified and, as such, the British Dental Association has a more difficult role in leading the profession.

The Government agenda for each of the two contracts was completely different. In the doctors' case, a dispirited and increasingly demoralised medical profession was heading for a potential breakdown in primary medical

Cynics claim the only purpose of the contract was to cap the primary care dental budget.

care. The doctors' contract was introduced with the aim of rejuvenating and incentivising the medical profession.

Cynics would claim the only purpose of the new dental contract was to cap the primary care dental budget. How well the Government has succeeded.

The doctors' contract was introduced after lengthy and largely successful negotiations between the doctors' leaders and the Government. The doctors had a chance to vote on the introduction of their contract. When it became apparent that this vote was in danger of being lost, the doctors' contract was changed at a very late stage with an improved minimum income guarantee. This ensured no GP was worse off under the new contract compared with the old. As part of the incentive process, new money and working conditions were introduced. The result for the doctors was a contract that saw GPs' profits rise from 15 to 40 per cent for



David Paul

is a director of Graham Paul Chartered Accountants and a member of NASDA.



● Negotiations have left dentists worse off especially when compared to the benefits bestowed on doctors.

◀ working fewer hours.

Two years later, primary care dentists were confronted with the situation where negotiations between the BDA and the Government had broken down. A largely un-negotiated contract running to almost 200 pages was imposed on the dental profession with 14 days notice on a take it or leave it basis.

Unlike doctors, the dental contract had no new money on the table when it was introduced. Each practice's activity in a benchmark year was converted into units of dental activity. It was this

conversion process that achieved the Government's objective in capping the primary care dental budget. Once the practice had been allocated its UDAs under a performance formula, this set its limit for future NHS income. The effect was to freeze the old NHS treadmill at speeds achieved in the benchmark year. The conversion process also created an area of discontent in that UDA values allocated to dental practices, certainly in the South Wales area, ranged from just under £18 to just over £39 per UDA. The formula used in the conversion process for children's treatment also resulted in dentists having to work on average 20 per cent harder for the same money under the new contract compared to the old. More work for the same money.

Another fundamental difference between the two contracts is that doctors under their old and new contract were always very tightly controlled by the health authorities. Under the old contract dentists were largely autonomous with little control or involvement locally with the health authorities. All this changed under the contract when the balance of power moved from the dental provider to the health authorities. The new dental contract also saw the potential 'kidnapping' of dental goodwill. When the NHS was created in the late 1940s and primary medical care was nationalised, the doctors at the time were paid for their goodwill. The new dental contract saw the prospect of NHS dental goodwill being signed away with

the acceptance of the contract.

A lesson to be learned is that strong, co-ordinated and cohesive leadership of primary care professionals is important. Doctors ended up with an excellent new contract which substantially increased their income and lightened their working load. The medical profession has been largely successful in its co-ordinated defence against Government encroachment. The best example of this is the BMA's successful judicial review in respect of detrimental changes that were to be imposed in the NHS pension scheme. Dental battles, on the other hand, have been fought and won by lone crusaders with Eddie Crouch as the profession's standard-bearer.

The new contracts have achieved the Government agendas in both cases. Primary medical care is revitalised, well remunerated and working less hard for more money. Primary dental care has had its budget successfully capped, its goodwill potentially stolen and a personal treadmill with unlimited earning potential exchanged for a capped utilitarian UDA treadmill, with 41 per cent of contract holders in England unable to meet their targets. For both contracts, interesting times lie ahead. ■

For more information call 01656 679800 or visit www.grahampaul.com. To speak to Nasda call 0870 6010 230 or go to www.nasda.org.uk