

The UOA: How did we end up here?

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In this talk:

- History of PDS and origins of the UOA
- Changing UOA's 2006-2016
- Why do UOA values vary so much?
- Time to re-standardise?- a discussion



Background: History of PDS and the UOA



The Old GDS Contract

- Until 2006 orthodontic practices were remunerated under a GDS (General Dental Services) contract
- “Item of Service” type system
- Based on “Statement of Remuneration”



Problems with old system (for practitioner)

- Overly complex.
- Payment for treated cases is in arrears (apart from interim)
- Could be 2 years or more in arrears!
- ..this caused problems with concept of using historical earnings as baseline
- Unpredictable income streams



Problems with old system (for commissioners)

- Different Fees claimed for similar cases
- No restriction on treatment....tendency to a culture of over-prescription in terms of treatment need
- No capping of funding and no IOTN
- Inequitable provision and residual areas of treatment need



New PDS Contract



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Basic Underpinning Principles

- Same as General Dentists' Contract
 - 3 year income protection
 - Calculated Annual Contract Value (CACV) based on historic earnings Oct 1st 2004-Sept 30th 2005
 - 12 monthly payments
- Minimum 5-year fixed term contract (PCT factsheet 8 paragraph 13.2 and 20.3)



Pilot Schemes

- Bedfordshire
- Cheshire
- Tower Hamlets



GDS v PDS

- Fee per item
- Payment to complete case
- Staggered payments
- Not fee per item
- Payment is to provide a service for duration of contract
 - Includes assessments, starts, repairs, retention plus ongoing care of cases
- Not payment to complete case
- Not a payment in advance



Good news....

For commissioners

- ✓ Capped funding
- ✓ Treatment rationing to address treatment need
- ✓ Elimination of over-prescription

For providers

- ✓ No payment in arrears
- ✓ Regular income stream



How were targets established?: The Concept of the Unit of Orthodontic Activity (UOA)



Units of Orthodontic Activity (UOA)

- Need to allocate some “value” to activity so that appropriate targets could be set.
- “Levels the playing field” ...same fees per case for each orthodontist- eliminated over-prescription
- Assessment only = 1 UOA: Assess and treat (over 10) = 21 UOA's : Assess and Treat (under 10- Interceptive treatment) = 4 UOA's
- Contract is to provide a certain number of UOA's per annum
- Value of 1 UOA at Oct 2005= £55 (Based on analysis of pilot scheme)



Calculation of UOA target for each CACV

- Non-clinical payments deducted from historic CACV
- Clinical payments only divided by £55
- Produced an annual target of UOA's



UOA's v UDA's: Different beasts

- UDA's applied to banded multiple treatments
- Based on original prescribing profiles
- Hence different values for individuals
- UOA's mean the same to all providers- no treatment variation



The changing face of UOA's 2006-2016



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UOA's 2006- present

- 2005 target figure subject to immediate uplift ahead of PDS launch April 2006
- Core CACV subject to annual NHS uplifts since



“Core” UOA rates 2005-2016

Year	Actual uplift	“Core” UOA value
05/06	3.4%	£56.87
06/07	3%	£58.57
07/08	3%	£60.33
08/09	3.4%	£62.38
09/10	0.21%	£62.51
10/11	0.9%	£63.07
11/12	0.5%	£63.39
12/13	0.5%	£63.7
13/14	1.5%	£64.66
14/15	1.6%	£65.70
15/16	1.16%	£66.75



Why do UOA values vary?



Reasons for variation:

- Original calculation of targets and non-clinical payments
- Growth money- Recurrent and non-recurrent
- Renegotiation at contract renewal*
- Error!



Original calculation of targets

- Non-clinical payments subtracted from historic earnings (audit, cpd etc)
- Clinical payments only divisible by £55 to establish target
- Full CACV paid
- Produced immediate “apparent” differences in UOA value



Growth money

- Non-recurrent or recurrent
- Non-recurrent often at lower value due to lower costs attached to extra service
- “New” recurrent money may be at different rates to existing PDS contract



Contract renewal and renegotiation

- Increased productivity often negotiated at contract renewal or in association with novation process



Error

- Historic case completions
- UOA and UDA issue at start of PDS



UOA/UDA issue 2005/2006

- Some PDS contracts issued with both UOA's and UDA's by mistake
- UDA's converted back to UOAs to correct error*



Time to realign values?

-An argument to standardise UOA values



10 years on: Time to standardise UOAs?

- Many reasons for discrepancies now obsolete
 - Non clinical payments
 - Errors
- Unlike UDA's the UOA means the same to all providers



10 years on: Time to standardise UOAs?

- Facilitates needs assessment
- Allows commissioning based on quality
 - More robust process
 - Focus on quality measures
- Need for weighting?



In conclusion:

- History of PDS and origins of the UOA
- Changing UOA's 2006-2016
- Reasons for UOA variation?
- Benefits of re-aligning UOA values



Thank you for listening

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