COVID-19: FINANCIAL SUPPORT TO GENERAL DENTAL SERVICES

As referred to in Michael Donaldson’s letter to you of 18 March 2020, I am writing to set out the financial support arrangements for General Dental Practitioners operating in Northern Ireland (NI) in respect of the coronavirus (COVID-19) pandemic. Although the position is rapidly evolving and highly uncertain, the pandemic is expected to have a significant short term impact on the supply and demand for dentistry services which in turn will have cash flow implications for practices.

In the first instance, it is expected that dental practices in NI will be eligible for support from the UK wide measures recently announced by the Chancellor of the Exchequer as well as the additional support provided for local business by the NI Executive. However, it is recognised that there is a need for further short term assistance to dental practices in NI to support their ongoing sustainability. In this context, financial assistance is to be provided based on stabilising the cash flow position for dental practices over the duration of the outbreak. The support measures will be in place from March 2020.

In particular, individual practices will have the option of applying for support payments to stabilise their Item of Service (IoS) income in respect of this month, and through to the end of the outbreak. This would involve additional support payments being made each month to cover the shortfall in IoS income in 2020 compared with the same month in 2019. The support payments would be made as soon as possible after the end of each month and will be abated by 20% to reflect the variable costs that will not have been incurred, as well as the impact of other government support.

It is a condition of financial support, that where a practice closes, dentists and other staff should assist the wider NHS, when asked by the Health & Social Care Board.

Following the end of the outbreak there is expected to be an increase in activity and thus IoS payments in respect of treatments that would have otherwise occurred during the time that support arrangements were in place. However, the scale and duration of any temporary rise
in activity is highly uncertain. In response, activity levels in individual dental practices in the months after the end of the outbreak will be compared with previous years. If there is a significant increase in the level of activity then it will be necessary to recover the support payments made in 2020, over the period 2021-22 to 2023-24. This would not apply to the practices which provided significant support to the wider NHS during the COVID-19 outbreak as set out above. In addition, the amount of payments recovered would be in line with the increase in IoS income following the outbreak and would be subject to a limit equivalent to 5% of practice income per annum based on previous years’ activity. Allowances and capitation payments will continue to be paid throughout 2020-21.

Further details will shortly be available in respect of the process for applying for the additional support payments and in due course, in relation to support payment recovery.

It is recognised that the situation is fluid and will be kept under close review. There may be a need to make amendments to the approach set out above and/or to consider further measures.

While the Department and HSCB will endeavour to email all updates to practitioners as soon as possible, it is incumbent upon you to frequently check the COVID-19 webpage on the dental section of the BSO (http://www.hscbusiness.hscni.net/services/3111.htm).

Yours Sincerely

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