

Consultation document:

- **Annual practising certificate fee for dentists and dental specialists**
- **Disciplinary levy for dentists and dental specialists**

Issued: 15 July 2016

Submission closing date: 18 August 2016

1. Introduction

Health practitioner annual practising certificate (“APC”) fees and disciplinary levies are set by health regulatory authorities under sections 130 and 131 of the Health Practitioners Competence Assurance Act 2003 (the “Act”).

In December 2015 the Council consulted with all stakeholders regarding its 2016/17 budget that details the Council’s five strategic priorities, and all fees associated with registration, examination, competence programme, fitness to practise and other fees. Following consideration of feedback from stakeholders, the budget has been confirmed, and closing financial reserves as at 31 March 2016 determined with the signed audited financial statements.

The Council is now consulting on the dentist and dental specialist (“Dentist”) APC fee and disciplinary levy.

The purpose of this consultation document is to advise stakeholders that the Council is proposing to gazette the 2016/17 APC fee and disciplinary levy to be effective for the recertification year commencing 1 October 2016.¹

The Council is seeking stakeholder feedback on its proposals by **18 August 2016**, an abridged timeframe as the 2016/17 budget was previously consulted on in December 2015. Feedback will be considered by the Council prior to finalising the new APC fee and disciplinary levy to be effective from 1 October 2016.

2. Fee and Levy Setting Principles

The Council abides by the good practice guidelines established by both the Office of the Auditor-General and by Treasury. The Council is committed to ensuring that it operates in a cost effective manner and strives to maintain a balance between ensuring the efficient and effective discharge of its public safety obligations and practitioner affordability. Upon this basis, the Council’s budget, and its fees and levies are calculated on a full cost recovery basis.

3. Proposed 2016/17 Annual Practising Certificate Fee

The following table sets out the proposed Dentist and Dental Specialist 2016/17 APC fee, compared to 2013/14, 2014/15 and 2015/16:

Dentist and Dental Specialist	2013/14	2014/15	2015/16	2016/17
	\$	\$	\$	\$
	Actual	Actual	Actual	Proposed
Calculated Fee	850.28	973.70	1,030.77	870.83
Operational Reserve Refund	(120.64)	(257.59)	(305.50)	-
Gazetted (net) APC Fee	729.64	716.11	725.27	870.83

¹ All values for fees and levies are shown in this consultation document, are exclusive of GST, unless otherwise stated.

The level of APC fee per practitioner depends on; the budgeted number of practitioners, each profession's share of budgeted the Council costs including capital expenditure, direct profession income and expenditure budgets and minimum reserve levels set for each profession under the Council's *Level of Reserves Policy*.

Appropriate operational reserve levels are maintained through prudent budgeting and forecasting, by rationing and prioritising resources and by adjusting annual practising fees to not only meet operational activities, but also to provide a buffer against an unknown number of competence cases, appeals or judicial reviews. In this way the financial viability of the Council is sustained.

The Council after careful consideration proposes to set the 2016/17 Dentist and Dental Specialist APC fee at \$870.83 plus GST.

The increase per practitioner of \$145.56 in the Dentist APC fee in 2016/17 is primarily due to:

- the profession's share of the investment in Strategic Priorities 2015 - 2020 for 2016/17, which was consulted in December 2015;
- the Council returning surplus operational reserves to dentists and dental specialists over the last three years (outlined in the above table). No excess reserve now exists. The 2016/17 costs for the Council activities, profession specific activities and capital replacement activities are fully funded by the APC fee (\$870.83) for the Dentist and Dental Specialist;
- additional costs due to:
 - (i) the establishment of an orthodontic working group in response to an increasing number of concerns regarding orthodontic care provided by general dentists
 - (ii) oral medicine scope of practice investigation regarding the requirement for a medical degree.

4. Proposed 2016/17 Disciplinary Levy

The following table sets out the proposed Dentist and Dental Specialist 2016/17 disciplinary levy, compared to 2013/14, 2014/15 and 2015/16:

Dentist and Dental Specialist	2013/14 \$	2014/15 \$	2015/16 \$	2016/17 \$
	Actual	Actual	Actual	Proposed
Required Levy	21.54	87.59	144.52	132.13
Reserve Refund	(3.69)	-	-	(35.79)
Gazetted (net) Discipline Levy	17.85	87.59	144.52	96.34

The Council proposes to set the Dentist 2016/17 disciplinary levy at \$96.34 plus GST. The decrease per practitioner is \$48.18 compared to \$144.52 in 2015/16. This decrease reflects a lower level of disciplinary expenditure than expected in 2015/16 year, enabling the refund of disciplinary reserves held in excess of minimum levels, as prescribed in the Council's *Level of Reserves Policy*.

5. Proposals

The Council is consulting on:

1. an APC fee for dentists and dental specialists of \$870.83 plus GST.

The Council is setting:

2. a disciplinary levy for dentists and dental specialists of \$96.34 plus GST.

6. Submissions

The objective of the consultation is to gather views from stakeholders to enable the Council to make a final decision on the proposals.

The Council is consulting on the above proposals with dentists and dental specialists, relevant associations and societies, the Ministry of Health, District Health Boards and other organisations with an interest. The proposals will also be published on the Council's website, with a similar invitation to comment.

Submissions received will be published on the Council's website shortly after receipt, and will remain there as a public document. All personal contact details will be removed from submissions. The Council does reserve the right not to publish any derogatory or inflammatory submissions.

As this is a public consultation, "in confidence" information will only be accepted under special circumstances. Please contact us before submitting material in confidence.

The Council invites comments on the proposals which must be received in its office by **5.00pm on Thursday 18 August 2016** after which the Council will consider all submissions before finalisation.

Responses should be sent to:

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Yours sincerely,



Marie Warner
Chief Executive