

5 June 2013

Dear practitioner,

**Consultation on the Dentist and Dental Specialist annual practising certificate (APC) fee and disciplinary levy effective from 1 October 2013**

In November 2012 Council consulted on the 2013/14 budget. The budgetary figures have been confirmed and closing reserves determined as at 31 March 2013. Council is now consulting on the APC fee and disciplinary levy for dentists and dental specialists.

For dentists and dental specialists the APC fee and disciplinary levy are based on the Council and dentist profession budgets and projections for 2013/14 and 2014/15 respectively, and the actual dentist operational and disciplinary reserve balances as at 31 March 2013, adjusted to minimum levels set by Council's Level of Reserves policy.

The aim of the consultation is to gather views from the sector on the disciplinary levy and the proposed APC fee to take effect from 1 October 2013, in order for Council to make a final decision. The Council therefore seeks any comments on the proposal by **31 July 2013**, following which Council will consider all submissions at its next scheduled meeting, and gazette the 2013/14 dentists and dental specialists APC fee and disciplinary levy to be effective from 1 October 2013.

Copies of this letter and the consultation document have been sent to all dentists, dental specialists, relevant associations and societies, the Ministry of Health, District Health Boards and other organisations with an interest in this area. The consultation document will also be published on the Council's website, with a similar invitation to comment.

Responses should be sent to:

Dental Council

PO Box 10-448

Wellington 6143

Fax: 04 499 1668

Email: [consultations@dcnz.org.nz](mailto:consultations@dcnz.org.nz)

Yours sincerely



Marie Warner  
Chief Executive

## Consultation Document

### Annual Practising Certificate Fee and Disciplinary Levy 2013/14 year – Dentists and Dental Specialists

RELEASED 5 JUNE 2013

SUBMISSIONS DUE 31 JULY 2013

#### Executive Summary<sup>1</sup>

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 November 2012 Council consulted on the 2013/14 budget that allowed for a 1.8% CPI inflation adjustment. The budgetary figures have now been confirmed and closing reserves determined. Council is consulting on the dentist and dental specialist<sup>2</sup> APC fee and disciplinary levy.

The APC fee and disciplinary levy for dentists are based on:

- Council and dentist profession budgets and projections for 2013/14 and 2014/15; and,
- the actual operational and disciplinary reserve balances for dentists as at 31 March 2013, adjusted to minimum levels set by Council under its Level of Reserves policy.

#### Components of the APC Fee and Disciplinary Levy

The components making up the combined dentist APC fee and disciplinary levy are set out in the following table. The fees and levy are based on a budget of 2,089 practising dentists:

Dentist APC Fee and Disciplinary Levy	2013/14 <i>GST Exclusive</i>	2012/13 <i>GST Exclusive</i>	% Change
Operational APC fee	\$701.44	\$728.93	(3.8%)
Capital replacement APC fee	\$28.20	\$1.18	
<b>Total APC Fee</b>	<b>\$729.64</b>	<b>\$730.11</b>	<b>(0.06%)</b>
<b>Disciplinary Levy</b>	<b>\$17.85</b>	<b>\$29.71</b>	<b>(39.9%)</b>
<b>Total APC Fee and Disciplinary Levy</b>	<b>\$747.49</b>	<b>\$759.82</b>	<b>(1.6%)</b>

The APC fee and disciplinary levy for dentists for the practising year commencing 1 October 2013 is proposed at \$747.49 (\$859.61 GST inclusive). This represents a 1.6% decrease on the 2012/13 combined fee/levy of \$759.82 (\$873.79 GST inclusive),

APC fee revenue is utilised in meeting the funding of:

- Council activities (*e.g. Secretariat overheads, communications, Council member liaison and meeting costs*);

<sup>1</sup> All values are GST exclusive unless otherwise stated.

<sup>2</sup> Dentists and dental specialists are together referred to as “dentist(s)” in the remainder of the document.

- profession specific activities (*e.g. registration and examination activities and costs associated with professional standards cases such as competency, individual recertification programmes and health*); and,
- capital replacement activities (*e.g. to meet future IT project software development costs either for a stand-alone or shared system, office furniture and equipment*).

The APC fee also includes an amount of \$16.44 per dentist practitioner to cover a small shortfall of \$34k in the dentist operational reserves as at 31 March 2013. At 31 March 2013 the dentist operational reserve totalled \$252k compared to a minimum reserve level of \$286k (including \$55k for competence activities). Minimum reserve levels are determined in accordance with Council's Level of Reserves policy. During 2012/13 the minimum reserve level for dentists was revised from \$299k to \$286k, due mainly to a reduction in the competence reserve by \$50k.

The increase in the capital replacement APC fee for 2013/14 from \$1.18 per dentist practitioner to \$28.20 reflects the need to maintain capital funds at an adequate level to provide funding for possible joint systems development expenditure, under a shared secretariat organisation encompassing all sixteen health regulatory authorities.

The dentist disciplinary levy in 2013/14 of \$17.85 is a decrease of \$11.86 on the 2012/13 levy of \$29.71. The dentist disciplinary reserve is set at a minimum of \$175k (as per Council's Level of Reserves policy) and the actual dentist disciplinary reserve balance at 31 March 2013 was \$183k. The proposed levy of \$17.85 per practitioner is the lowest amount levied for some years. Notwithstanding this, should disciplinary expenditure on Professional Conduct Committees and Health Disciplinary Tribunal cases significantly erode disciplinary reserves in 2013/14, the Council has the right under section 131(1) of the Act to impose at any time a disciplinary levy on practitioners.

### **Consultation points**

The Council invites all stakeholders to provide comment on the proposed 2013/14 dentist APC fee and disciplinary levy to be effective from 1 October 2013 as follows:

1. to impose a dentist disciplinary levy of \$17.85 (\$20.53 GST inclusive); and
2. to prescribe a dentist APC fee of \$729.64 (\$839.08 GST inclusive).

### **Conclusion**

The objective of the consultation is to gather views from the sector to enable Council to make a final decision on the proposal. The Council therefore seeks any comments on the proposal by **31 July 2013** following which Council will consider all submissions at its next scheduled meeting. Copies of the consultation document have been sent to all dentists, relevant associations and societies; the Ministry of Health, District Health Boards and other organisations with an interest.

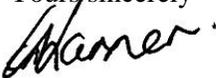
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