Sale of Orthodontic Practices – Good News?

There may be potentially good news for orthodontists who are looking to sell their practice – but as with so many issues in healthcare at the current time, it will come down to the attitude of the individual Local Area Teams.

Following NHS England’s recent publication of Policy Book for Primary Dental Services, they appear to have opened the door for adding (and removing) parties to and from a PDS contract. This has always been the case with GDS contracts which provide guaranteed access to the ‘partnership route’. PDS contracts don’t include such clauses and this does mean that these fresh provisions will only provide discretionary access to the partnership route. However, the new guidance prompts all parties to consider switching to the new policy, “if there is a natural transitional point in the matter and provided all parties agree.”

Russell Abrahams, Senior Partner at Abrahams Dresden explained, “This could be good news for those orthodontists seeking an exit but the fact that it is discretionary will mean that we are in postcode lottery territory. Success will be on a case by case basis and area team by area team basis. However, this guidance does provide a potential new course of action away from increasingly difficult incorporation applications. Early applications have had mixed success. Where the Contractor is a “friend” of the relevant division of NHS England, the application runs through pretty smoothly. In other circumstances, NHS England is relying on their old chestnut of agreeing to the proposition, but only in exchange for a chunky reduction in UOA value.”

ENDS

Note to editors:

NASDAL, the National Association of Specialist Dental Accountants and Lawyers, was set up in 1998. It is an association of accountants and lawyers who specialise in acting for and looking after the accounting, tax and legal affairs of dentists. It is the pre-eminent centre of excellence for accounting, tax and legal matters concerning dentists. Its members are required to pass strict admission criteria, and it regulates the performance of its members to ensure high standards of technical knowledge and service.

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