

REGULATORY APPRAISAL

NATIONAL HEALTH SERVICE, WALES

THE NATIONAL HEALTH SERVICE (OPTICAL CHARGES AND PAYMENTS) (AMENDMENT) (WALES) REGULATIONS 2006

Purpose and intended effect of the measure

1. To amend the National Health Service (Optical Charges and Payments) Regulations 1997 to increase by 2.5% the value of vouchers issued towards the cost of the supply, replacement or repair of glasses, contact lenses and other optical appliances from £48.00 to £49.20 with effect from 5 July 2006.

Risk Assessment

2. There are no risks associated with increasing the voucher values. However, not increasing the voucher value would cause patients in Wales to be adversely treated, because the value of the vouchers in Wales would be lower than the rest of the UK.

Options

Option 1: Do Nothing

3. Failure to make these Regulations would cause patients to be adversely treated in comparison to those in the rest of the United Kingdom, because the value of vouchers in Wales would be lower than the rest of the UK.

Option 2: Make the Legislation

4. Increasing the value of vouchers will keep Wales in line with the other UK territorial countries who implemented these changes on 1 April 2006. It is recommended that this approach is maintained to ensure that the people in Wales receive a consistent amount towards the cost of NHS glasses with those people in the rest of the UK.

Costs

5. The additional gross cost to the Assembly of the increase of the NHS optical vouchers for 2006/07 is an estimated £270k. The net cost of the proposed increases in voucher values will be accommodated within the existing demand led non-cash limited Other Family Health Services (i.e. Dental, Ophthalmic and Pharmacy) budget line in the NHS Finances' Payments to Contractors Budget Expenditure Line. There will be no costs for optometrists as a result of these Regulations.

Benefits

6. These Regulations ensure that patients are not being adversely affected compared to those in the rest of the UK. The recipients of these vouchers will benefit from the uplift in value, which takes account of the rate of inflation of 2.5%, from £48.00 to £49.20.

Consultation

With Stakeholders

7. There has been no formal consultation in relation to these Regulations. However, the Department of Health has traditionally negotiated an increase in the value of NHS optical vouchers with the optical profession and the Treasury. For 2006/2007, the average increase to be applied to voucher values in England has been agreed at the 2.5% rate of inflation, and this increase will be applied by the other devolved administrations.

With Subject Committee

8. These Regulations were notified to the Health and Social Services Committee via the list of forthcoming legislation on 11 May 2006 (HSS(2)-08-06 (p.2a) item no: HSS 33(05)) and have remained on the list ever since. The Regulations were not identified for detailed scrutiny.

Review

9. The Department of Health annually reviews the increase in voucher value and will negotiate an increase in the value of NHS optical vouchers with the optical profession and HM Treasury. The next increase will be for the financial year, 2007/2008.

Summary

10. These Regulations will increase voucher values to fit in line with the other UK territorial countries. The increase in value will benefit the recipients of these vouchers, in line with the rate of inflation.