

## **POLICY NOTE**

### **THE HEALTHCARE IMPROVEMENT SCOTLAND (FEES) REGULATIONS 2016**

#### **SSI 2016/26**

The above instrument was made in exercise of the powers conferred by section 10Z5 of the National Health Service (Scotland) Act 1978. The instrument is subject to negative procedure.

#### **Policy Objectives**

1. The policy is to set the maximum fees which Healthcare Improvement Scotland may charge independent hospitals and clinics for regulation. This SSI replaces and revokes the current fees regulations which date back to 2011 (SSI 2011/33) and set fees for “independent health care services” which in effect only applied to independent hospitals. With clinics being regulated for the first time it has been necessary to set separate fees for independent hospitals and independent clinics.

#### **Consultation**

2. To comply with the requirements of section 10Z5 (1) of the National Health Service (Scotland) Act 1978 (“the 1978 Act”) a public consultation was conducted in the autumn of 2015 and published on the Healthcare Improvement Scotland website.
3. The general themes from the consultation were an acceptance for the increase for the fees set for the regulation of independent hospitals and concerns at the registration fee levels by small independent contractors and occupational health services in the independent health clinics sector. As a result of the consultation concerns, provision has been made for certain exceptions to the definition of independent clinic. The concerns will also be addressed by a further consultation on the annual continuation fees that Healthcare Improvement Scotland will set during 2016/2017 following analysis of the types of independent health clinics that register.
4. A full list of those consulted and who agreed to the release of this information is published on the Scottish Government website, it includes:
  - NHS Boards
  - Local Authorities
  - Regulatory & Professional Bodies
  - Independent Healthcare Providers

#### **Impact Assessments**

5. This instrument is one of a number that will have the effect of bringing independent clinics into the regulatory regime as set out in the 1978 Act and regulations made using powers in that Act. An Equality Impact Assessment screening workshop and a literature review have been completed on the policy of the regulation of independent health clinics and the summary attached. The literature review found one paper on the topic which was the completed impact assessment on the implementation of the

regulation which showed no impact. Our assessment has been that the main impact is on knowledge of the public and the potential issue of changes to the fee structure to the clinics (given that regulation means that clinics will be required to register and hence pay a fee) which may cause a pricing differential to emerge, affecting consumers and businesses in lower socio-economic groups unequally. The fee impact is considered unlikely to be significant as the regulation will be equal and thus competition will be on price and businesses are unlikely to pass costs onto the consumers and risk losing their customers. To reduce the information gap a social marketing campaign on cosmetic interventions will be provided for young women aged 18 -29 to understand and source information. The market will be monitored by the regulator and a full consultation on the future fee structures conducted during 2016.

6. A screening review for the Child Rights and Wellbeing Impact Assessment (CRWIA) was undertaken. This concluded that no assessment is needed.

### **Financial Effects**

7. A Business and Regulatory Impact Assessment (BRIA) has been completed on the wider policy of regulating independent clinics and is attached. The impact of this policy on businesses is that they will be required to register with HIS and pay a registration fee and annual continuation fee. Further consultation on the actual annual fee level for independent clinics (given this SSI sets the maximum that may be charged) will be conducted during 2016.

Scottish Government  
Healthcare Quality and Strategy Directorate

13 January 2016