

Mr Allan Asher
Director of Communications and Corporate Relations
Consumers' Association
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23 January 2002

SUPER-COMPLAINT ON PRIVATE DENTISTRY

You wrote to me on 25 October 2001 with a super-complaint about the market for private dentistry, identifying a number of core problems that you considered worthy of further investigation. Ensuring that markets work well for consumers is the key aim of the OFT, and the provision of dentistry is obviously most important for consumers. We promised to respond to you within 90 days, after considering whether there was sufficient evidence to support your concerns and, if so, what action we proposed to take.

We have looked carefully at the issues raised in your letter. We have carried out a preliminary examination of how the market works and looked at sources of information relevant to the concerns raised in your letter. We have also consulted a number of interested parties. These include the Department of Health and the British Dental Association. We are now accordingly able to respond.

You set out six areas in which you felt there was evidence that the market was not working well. In each case we consider that the issues need to be looked at further. We have prepared an Issues Paper, which is attached to this letter, containing our preliminary views and findings.

There appear, as you say, to be questions surrounding the transparency of prices, the extent of competition, the impact of new entry into the market and the way complaints are handled and redress offered. There are also questions of access to dental services and, linked with the issue of price transparency, doubts about how much guidance patients are given before treatment is undertaken.

In looking further at these issues we will use powers under section 2 of the Fair Trading Act 1973 to carry out a full market investigation. In taking the work forward, we will wish to establish more fully how the provision of NHS and private dental services together operate, the incentives for dentists to treat patients under the NHS or privately, the expectations and rights of consumers, and the constraints and incentives to provide new services.

We expect to complete our further work by the end of the year. This will include a period of full consultation with all those concerned. If this further work identifies practical ways of making the market work better, we will pursue them energetically. These will be based on a thorough examination of the evidence and a full understanding of how the market works.

We will keep you in touch with progress on this work over the coming months.

John Vickers
Director General of Fair Trading