



Going green: rechargeable hearing aids

Understanding the NHS adult hearing care tariff in England

Context

1. As NHS commissioners prepare to switch from single use battery powered hearing aids to rechargeable digital hearing aids, it is important to ensure that new tariff prices are consistent with the NHS Payment Scheme (NHSPS).
2. To support compliance with the NHSPS, this briefing note provides an overview of applicable NHS payment guidance and background detail on the NHS adult hearing care tariff.

NHS local payment arrangements

3. When commissioning NHS adult hearing care out of hospital, the NHS adult hearing care tariff will be subject to local payment arrangements [1].
4. The NHSPS "requires commissioners and providers to have regard to NHSPS cost uplift and efficiency factors" [1]. It also advises both parties to account for other factors when setting prices, with the following factors being most relevant when switching to rechargeable aids:
 - funding for service development improvements
 - costs incurred as part of any agreed service transformation [2]
5. NHS pricing guidance goes on to encourage a constructive dialogue between commissioners and providers and advises both to work in a way that is consistent with NHS payment principles.

NHS payment principles

- The payment approach must be in the best interests of patients
- The approach must promote transparency and good data quality to improve accountability and encourage the sharing of best practice.
- The provider and commissioner(s) must engage constructively with each other when trying to agree payment approaches.

- The provider and commissioner(s) should consider how the payment approach could contribute to reducing health inequalities.
- The provider and commissioner(s) should consider how the payment approach contributes to delivering [Operational Planning Guidance](#) objectives.

Source [3]

6. If commissioners and providers cannot reach an agreement they are then advised to speak to their [NHS England regional team](#) to help resolve the situation [4].
7. To help support a constructive dialogue between commissioners and providers and to avoid the need for regional teams to be involved in ensuring compliance with NHSPS, the next section provides an overview of the NHS adult hearing care tariff.

NHS adult hearing care tariffs

8. Following a review of adult audiology in 2007, the NHS in England developed a non-mandated tariff price for the adult hearing care pathway [6]. The non-mandated tariff price paid a pathway price **plus** a fixed fee of £26 **per** aftercare in 2014 [5] (£35.26 **per** aftercare in 2024 prices [7]).
9. In 2015 the NHS undertook an independent review of the benefits of extending patient choice in NHS adult hearing care. The review found that introducing new models of care made it possible for the NHS to treat more patients with the same spend. For example, the report noted that by expanding choice it was possible to purchase a package of care for three years and save 20-25% per patient when compared to the traditional pricing model derived from average hospital-based reference costs [8]. The historical non-mandated adult hearing care price was subsequently decommissioned as a result, and commissioners were encouraged to commission a package of care from providers [8-9].
10. All these factors must be considered when developing new prices for a hearing care pathway that includes rechargeable hearing aids. For example
 - A. if providers are still paid unit prices, then adjustments can be made to all applicable unit prices
 - B. if providers are paid for a package of care, then introducing a rechargeable hearing aid will increase the cost of a hearing aid and charger (as rechargeable aids are typically also more modern and more costly aids) while reducing the cost associated with purchasing disposable batteries.

Both scenario A and B above require different approaches. More information is provided below.

Scenario A – unit prices

11. If a commissioner pays per unit of activity, then the following information will be helpful when revising prices following the introduction of a rechargeable hearing aid.

12. Table 1: shows the main elements of a pathway with 2009-10 unit prices, adjusted for inflation

Description	Unit price 2009-10	Unit prices 2024
Assessment	£55	£86.12
Fitting	£69	£108.04
One hearing aid	£112	£175.37
Follow-up	£49	£76.73
Aftercare	£26	£40.71

Table 1: Unit prices for NHS adult hearing care 2009-10 [10], adjusted for inflation to December 2024 using the Bank of England inflation calculator. 2009 prices have been used as this is the original data source for unit costs, ICBs will adjust the baseline cost accordingly to local arrangements.

13. When switching to rechargeable devices the unit cost of the hearing aid and aftercare prices will change.

14. Computing the cost of a rechargeable system (hearing aid and recharger) can be determined using the NHS supply chain price.

15. When determining the impact on the price of aftercare it is important to note the aftercare currency covers various cost elements as listed below:

- (a) cleaning advice and cleaning aids for patients with limited dexterity
- (b) battery removal devices for those with limited dexterity
- (c) replacement of batteries, tips, domes, wax filters and tubing, where required
- (d) replacement or modification of ear moulds
- (e) repair or replacement of faulty hearing aids on a like for like basis
- (f) provision of patient information [11]

Cost inputs (b) and elements of cost (c) are going to be impacted. Other costs will remain.

16. The most important point to note is that when paying unit prices, the average patient is likely to attend two aftercare visits per year. Therefore, the introduction of a rechargeable device will, other things being equal, result in a more complex adjustment to the aftercare price than when commissioning a package of care with a fixed fee for aftercare visits.

Scenario B – package of care

17. When reviewing a package of care price, NHS commissioners are already saving 20-25% compared to if they commissioned the same service on a unit price [8]. As the provider is

already operating in a cost-efficient way the introduction of rechargeable aids will need a discussion that is aligned with NHS pricing principles noted above.

18. To support the discussion, we provide the original package price for NHS adult hearing care in Table 2, adjusted for inflation.

Description	2012 price	2024 price
Assessment only	£49	£69.15
Assessment, fit, one aid, follow-up and three years of all-inclusive aftercare	£294	£414.88
Assessment, fit, two aids, follow-up and three years of all-inclusive aftercare	£388	£547.53
Aftercare only paid after year three if hearing aids	£23	£32.46

Table 2: A package of care for adult hearing loss [12], adjusted for inflation to December 2024 using the Bank of England inflation calculator. 2012 costs are used as this is the original source of pathway pricing, ICBs and providers can use other information to ensure agreement is reached in a way that complies with the NHSPS.

References and endnotes

[1] Local payment arrangement rules for 2023/25 are set out in section 7 (paragraphs 84-97), in 2023/25 NHS Payment Scheme (amended), published 27 March 2024. -

<https://www.england.nhs.uk/long-read/2023-25-nhs-payment-scheme-amended/#7-payment-mechanism-local-payment-arrangements> accessed 21 January 2025

[2] Paragraph 86 in 2023/25 NHS Payment Scheme (amended), published 27 March 2024. -

<https://www.england.nhs.uk/long-read/2023-25-nhs-payment-scheme-amended/#7-payment-mechanism-local-payment-arrangements> accessed 21 January 2025

[3] Payment principles, as set out in section 3.1 (para 44) in 2023/25 NHS Payment Scheme (amended), published 27 March 2024. With more detail on each principle set out in the guidance (paragraphs 46-58) -

<https://www.england.nhs.uk/long-read/2023-25-nhs-payment-scheme-amended/#7-payment-mechanism-local-payment-arrangements> accessed 21 January 2025

[4] Paragraph 97 in 2023/25 NHS Payment Scheme (amended), published 27 March 2024. -

<https://www.england.nhs.uk/long-read/2023-25-nhs-payment-scheme-amended/#7-payment-mechanism-local-payment-arrangements> accessed 21 January 2025

[5] NHS England, Past national tariffs: documents and policies, [National Tariff 2014/15: documents and policies](#), non-mandated tariff sheet - <https://www.england.nhs.uk/publication/past-national-tariffs-documents-and-policies/> accessed 21 January 2025

[6] The original non-mandated pathway prices are set out in paragraphs 184-186 of the Payment by Results guidance for 2009-10 <https://data.parliament.uk/DepositedPapers/Files/DEP2009-0631/DEP2009-0631.pdf> accessed 21 January 2025

[7] The aftercare price in source [5] adjusted for inflation from 2014 to December 2024 using the Bank of England inflation calculator

[8] Monitor, 2015, NHS adult hearing services in England: exploring how choice is working for patients, <https://www.gov.uk/government/publications/nhs-adult-hearing-services-in-england-exploring-how-choice-is-working-for-patients> accessed 21 January 2025

[9] NHS England, 2016, Commissioning Services for People with Hearing Loss: A Framework for Clinical Commissioning Groups, <https://www.england.nhs.uk/wp-content/uploads/2016/07/HLCF.pdf>

[10] Table 10, page 44, Payment by Results guidance for 2009-10 <https://data.parliament.uk/DepositedPapers/Files/DEP2009-0631/DEP2009-0631.pdf> accessed 21 January 2025

[11] Department of Health, 2014, Reference cost guidance 2013-2014, paragraph 354 page 77, https://assets.publishing.service.gov.uk/media/5a7c291bed915d1b3a307d04/reference_costs_collection_2013-14_2.pdf accessed 21 January 2025