

# **Service Agreement End-of-year Final Allocations (Abridged)**

An agreement between:

**Department of Health Chief Executive Officer**

and

**PathWest Laboratory Medicine WA**

for the period

1 July 2021 – 30 June 2022

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## BACKGROUND

- A. With effect from 1 July 2021, pursuant to section 46 of the *Health Services Act 2016* (the Act) the Parties entered into a 2021-22 Service Agreement (Interim). Section 46(4) of the Act provides that the 2021-22 Service Agreement (Interim) is binding on the Parties.
- B. The 2021-22 Service Agreement (Interim) details the health services that the Department CEO will purchase from the PathWest Laboratory Medicine WA (PathWest) and the health services PathWest will deliver during the 2021-22 financial year.
- C. The 2021-22 Service Agreement (Interim) was issued on an interim basis due to delivery of the 2021-22 State Budget being delayed to 9 September 2021, following the 13 March 2021 State election.
- D. Updated 2021-22 budget allocations have been advised by letter to PathWest where applicable since 1 July 2021.
- E. A Deed of Amendment was issued on 9 May 2022 reflecting adjustments to the 2021-22 Service Agreement (Interim) resulting from the 2021-22 State Budget, the 2021-22 Mid-year Review, the 2022-23 budget process and other WA health system allocation adjustments since the 2021-22 Service Agreement (Interim) was issued.
- F. Since the Deed of Amendment and up to 30 June 2021 changes to the budget allocations may have occurred and an amendment to these is required.
- G. This document is not required to be executed in accordance with section 41 of the Act as all amendments have been approved through other processes.

## **1. OPERATION OF AMENDMENTS**

The 2021-22 Service Agreement (Interim) including amendments contained in the Deed of Amendment, will be read and construed subject to this Deed, and in all other respects the provisions of the 2021-22 Service Agreement (Interim) are confirmed, and subject to the terms of the amendments contained in this Deed and the Deed of Amendment, will continue in full force and effect in accordance with its terms.

Each Party will promptly do and perform all further acts and execute and deliver all further documents (in form and content reasonably satisfactory to that Party) required by law or reasonably requested by any other Party to give effect to this Deed.

This Deed is governed by and will be construed according to the laws in force in Western Australia.

## **2. ENTIRE AGREEMENT**

This Deed together with the 2021-22 Service Agreement (Interim), including amendments contained in the Deed of Amendment, constitutes the entire agreement between the Parties and supersedes any previous agreement between the Parties as to the subject matter of this Deed.

## **3. AMENDMENTS TO SERVICE AGREEMENT**

With effect from the date of this Deed the Parties agree that the 2021-22 Service Agreement (Interim) is varied so that:

- (a) The Schedule B: Summary of Activity and Funding table at page 23 of the 2021-22 Service Agreement (Interim), as amended by the 2021-22 Deed of Amendment, is amended. This amendment is attached hereto and marked as Annexure 1.

## **4. PUBLICATION OF DEED**

The Department will publish an abridged version of this Deed on the WA Health internet site, in accordance with Schedule D9 of the National Health Reform Agreement. Any subsequent amendments to this Deed together with the Service Agreement will also be published in accordance with Schedule D9 of the National Health Reform Agreement.

## Annexure 1

### B: PathWest Summary of Activity and Funding

OBM Service	2021-22		2021-22		2021-22		2021-22		2021-22	
	Service Agreement (Interim)		Changes from SA to Deed of Amendment		Deed of Amendment		Changes from DOA to EOY Final Alloc.		End-of-Year Final Allocations	
	WALs	\$'000	WALs	\$'000	WALs	\$'000	WALs	\$'000	WALs	\$'000
1. Public Hospital Admitted Services	—	—	—	—	—	—	—	—	—	—
2. Public Hospital Emergency Services	—	—	—	—	—	—	—	—	—	—
3. Public Hospital Non-Admitted Services	—	—	—	—	—	—	—	—	—	—
4. Mental Health Services	—	—	—	—	—	—	—	—	—	—
5. Aged and Continuing Care Services	—	—	—	—	—	—	—	—	—	—
6. Public and Community Health Services	—	—	—	—	—	—	—	57	—	57
7. Pathology Services	—	234,008	—	13,404	—	247,412	—	125	—	247,537
8. Community Dental Health Services	—	—	—	—	—	—	—	—	—	—
9. Small Rural Hospital Services	—	—	—	—	—	—	—	—	—	—
10. Health System Management - Policy and Corporate Services	—	—	—	—	—	—	—	—	—	—
11. Health Support Services	—	—	—	—	—	—	—	—	—	—
Government Corrective Measures	—	(3,875)	—	453	—	(3,422)	—	—	—	(3,422)
Health Allocation Adjustments (HAA)	—	117,945	—	50,630	—	168,575	—	7,735	—	176,309
<b>Total—Activity and Funding</b>	<b>—</b>	<b>348,077</b>	<b>—</b>	<b>64,487</b>	<b>—</b>	<b>412,564</b>	<b>—</b>	<b>7,917</b>	<b>—</b>	<b>420,481</b>
Less Income	—	(201,940)	—	137,438	—	(64,502)	—	6,336	—	(58,165)
<b>Net—Activity and Funding</b>	<b>—</b>	<b>146,137</b>	<b>—</b>	<b>201,926</b>	<b>—</b>	<b>348,062</b>	<b>—</b>	<b>14,253</b>	<b>—</b>	<b>362,315</b>