

Service Agreement Budget Deed of Amendment (Abridged)

An agreement between:

Department of Health Chief Executive Officer

And

PathWest Laboratory Medicine WA

for the period

1 July 2020 – 30 June 2021

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BACKGROUND

- A. With effect from 1 July 2020, pursuant to section 46 of the *Health Services Act 2016* (the Act) the Parties entered into a Service Agreement (Interim). Section 46(4) of the Act provides that the Service Agreement is binding on the Parties.
- B. This Service Agreement was interim in its nature to reflect the delay in the 2020-21 State budget due to the COVID-19 health pandemic.
- C. The Service Agreement 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 2020-21 financial year.
- D. Where the State Budget handed down on 8 October 2020 contains any changes to the funding set out in the 2020-21 Service Agreement (Interim), this information will be included in the Deed of Amendment.
- E. Since the commencement of 2020-21, changes to funding set out in the Service Agreement (Interim) have occurred and these also will be included in the Deed of Amendment.
- F. Section 50 of the Act stipulates that a Party that wants to amend the terms of the Service Agreement must provide written notice of the proposed amendment to the other party. This was provided to PathWest on 23 October 2020.
- G. This Deed is executed in accordance with section 41 of the Act.

DEFINED TERMS

In this Deed:

1. **Deed** means this Deed of Amendment.
2. **Parties** means the parties to the Service Agreement and to the Deed and “Party” means any one of them.
3. **Schedule** means a schedule to the Service Agreement.
4. **Service Agreement** means the Health Service Provider 2020-21 Service Agreement (Interim) between the Parties and as amended from time-to-time including all schedules and annexures.

1. OPERATION OF AMENDMENTS

The Service Agreement will be read and construed subject to this Deed, and in all other respects the provisions of the Service Agreement are confirmed, and subject to the terms of the amendments contained in this Deed and the Service Agreement 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 Service Agreement 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 Service Agreement is varied so that:

- (a) The Schedule B: Summary of Activity and Funding table at page 25 of the Service Agreement 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 system 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.

Parties to the Agreement:

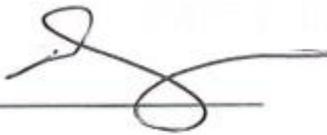
Executed as a Deed of Amendment in the state of Western Australia.

Parties to the Agreement:

Department CEO

Dr David J Russell-Weisz
Director General
Department of Health

Date: 18/12/20

Signed: 

The Common Seal of the
PathWest Laboratory Medicine WA
was hereunto affixed in the presence of:)
)
)



Professor Christobel Saunders AO
Board Chair
The PathWest Laboratory Medicine WA

Date: 11/12/2020

Signed: 

Mr Joseph Boyle
Chief Executive
The PathWest Laboratory Medicine WA

Date: 10th-12-20

Signed: 

Annexure 1

B: PathWest Summary of Activity and Funding

OBM Service	2019-20 End-of-year Final Allocations \$'000	2020-21 Service Agreement (Interim) \$'000	2020-21 Budget Deed of Amendment \$'000	2021-22 Forward Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000
01 Public Hospital Admitted Services	—	—	—	—	—	—
02 Public Hospital Emergency Services	—	—	—	—	—	—
03 Public Hospital Non-Admitted Services	—	—	—	—	—	—
04 Mental Health Services	—	—	—	—	—	—
05 Aged and Continuing Care Services	—	—	—	—	—	—
06 Public and Community Health Services	—	—	—	—	—	—
07 Pathology Services	223,214	233,934	235,234	234,777	239,463	260,688
08 Community Dental Health Services	—	—	—	—	—	—
09 Small Rural Hospital Services	—	—	—	—	—	—
10 Health System Management - Policy and Corporate Services	—	—	—	—	—	—
11 Health Support Services	—	—	—	—	—	—
Government Corrective Measures (GCM)	(13,586)	(14,197)	(14,197)	(14,204)	(14,204)	(14,204)
Health Allocation Adjustments (HAA)	126,748	114,009	114,988	119,080	125,284	131,491
Total	336,375	333,746	336,025	339,653	350,544	377,974
<i>Less Income</i>	<i>(188,373)</i>	<i>(198,302)</i>	<i>(199,502)</i>	<i>(208,022)</i>	<i>(226,433)</i>	<i>(231,194)</i>
Net—Funding	148,002	135,444	136,523	131,632	124,110	146,780

Notes

- a. "Less income" is the estimated value of revenue from sources other than State Appropriations.
- b. The 2019-20 Income figure has been recast to align to the presentation being introduced for Income in the 2020-21 Service Agreement Deed of Amendment. The 2020-21 Service Agreement (Interim) Income figure has not been recast.