

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

An agreement between:

Department of Health Chief Executive Officer

and

East Metropolitan Health Service

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 East Metropolitan Health Service (EMHS) and the health services EMHS 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 EMHS 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: EMHS 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: EMHS 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	151,952	994,668	4,507	44,645	156,459	1,039,313	—	3,770	156,459	1,043,083
2. Public Hospital Emergency Services	30,281	200,450	13	2,573	30,294	203,023	—	735	30,294	203,758
3. Public Hospital Non-Admitted Services	25,618	167,060	458	5,478	26,076	172,538	—	625	26,076	173,163
4. Mental Health Services	20,091	212,296	487	17,015	20,578	229,311	—	(654)	20,578	228,657
5. Aged and Continuing Care Services	—	10,221	—	540	—	10,761	—	351	—	11,112
6. Public and Community Health Services	—	16,795	—	4,468	—	21,263	—	3,371	—	24,634
7. Pathology Services	—	—	—	—	—	—	—	—	—	—
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	—	(443)	—	(4)	—	(446)	—	—	—	(446)
Health Allocation Adjustments (HAA)	—	85,238	—	76,469	—	161,707	—	15,510	—	177,217
Total—Activity and Funding	227,942	1,686,286	5,465	151,184	233,407	1,837,471	—	23,708	233,407	1,861,178
Less Income	—	(868,012)	—	732,647	—	(135,365)	—	(5,172)	—	(140,537)
Net—Activity and Funding	227,942	818,274	5,465	883,832	233,407	1,702,106	—	18,536	233,407	1,720,642

EMHS—Commonwealth and State contributions to the National Health Funding Pool

	National Efficient Price	Total Expected NWAUs	Total Contribution	Commonwealth		State
				Contribution	Funding Rate	Contribution
ABF Service group	(NEP \$)	(#)	(NEP \$)	(NEP \$)	(%)	(NEP \$)
Acute Admitted	5,597	135,635	759,150,533	302,536,364	41.4	456,614,169
Admitted Mental Health	5,597	20,886	116,901,296	45,008,356	41.4	71,892,940
Sub-Acute	5,597	7,487	41,907,049	36,374,523	41.4	5,532,526
Emergency Department	5,597	27,879	156,036,652	67,668,232	41.4	88,368,420
Non Admitted	5,597	21,618	120,998,164	56,191,324	41.4	64,806,840
Total ABF	5,597	213,506	1,194,993,693	507,778,799	41.4	687,214,894
Non-ABF Service group			(\$)	(\$)	(%)	(\$)
Non Admitted Mental Health			83,740,842	27,820,554	33.2	55,920,288
Non Admitted CAMHS			—	—	—	—
Non Admitted Home Ventilation			—	—	—	—
Rural CSO sites			—	—	—	—
Teaching, Training and Research			70,153,204	27,396,130	39.1	42,757,074
Total Block Funding			153,894,046	55,216,684	35.9	98,677,362

Note:

This schedule relates to Commonwealth "in-scope" activity only and is a subset of the Summary of Activity and Funding Schedule
Commonwealth \$ contribution is inclusive of adjustments related to the 2020-21 annual reconciliation.