

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

An agreement between:

Department of Health Chief Executive Officer

and

North 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 North Metropolitan Health Service (NMHS) and the health services NMHS 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 NMHS 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: NMHS Summary of Activity and Funding table at page 24 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.
- (b) The Schedule E: Dental Health Service Summary of Activity and Funding table at page 38 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 11.

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: NMHS 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	
	WALUs	\$'000	WALUs	\$'000	WALUs	\$'000	WALUs	\$'000	WALUs	\$'000
1. Public Hospital Admitted Services	174,221	1,173,490	728	22,552	174,949	1,196,042	—	9,219	174,949	1,205,261
2. Public Hospital Emergency Services	26,977	186,499	271	4,078	27,248	190,577	—	1,415	27,248	191,992
3. Public Hospital Non-Admitted Services	38,113	252,107	1,200	10,359	39,313	262,466	—	1,949	39,313	264,415
4. Mental Health Services	27,389	279,083	652	18,829	28,041	297,912	—	1,931	28,041	299,844
5. Aged and Continuing Care Services	—	17,678	—	7,648	—	25,326	—	823	—	26,150
6. Public and Community Health Services	—	77,917	—	16,589	—	94,506	—	(696)	—	93,810
7. Pathology Services	—	—	—	—	—	—	—	—	—	—
8. Community Dental Health Services	—	—	—	—	—	—	—	—	—	—
9. Small Rural Hospital Services	—	442	—	415	—	856	—	6	—	863
10. Health System Management - Policy and Corporate Services	—	—	—	—	—	—	—	—	—	—
11. Health Support Services	—	—	—	—	—	—	—	—	—	—
Government Corrective Measures	—	(1,854)	—	1	—	(1,854)	—	—	—	(1,854)
Health Allocation Adjustments (HAA)	—	97,290	—	110,587	—	207,877	—	12,484	—	220,360
Total—Activity and Funding	266,701	2,082,652	2,850	191,057	269,551	2,273,709	—	27,133	269,551	2,300,841
Less Income	—	(1,049,399)	—	876,308	—	(173,091)	—	15,349	—	(157,742)
Net—Activity and Funding	266,701	1,033,253	2,850	1,067,365	269,551	2,100,618	—	42,481	269,551	2,143,099

Annexure 11

E: Dental Health Service 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	—	—	—	—	—	—	—	—	—	—
7. Pathology Services	—	—	—	—	—	—	—	—	—	—
8. Community Dental Health Services	—	105,159	—	2,281	—	107,440	—	(49)	—	107,391
9. Small Rural Hospital Services	—	—	—	—	—	—	—	—	—	—
10. Health System Management - Policy and Corporate Services	—	—	—	—	—	—	—	—	—	—
11. Health Support Services	—	—	—	—	—	—	—	—	—	—
Government Corrective Measures	—	(1,180)	—	27	—	(1,153)	—	—	—	(1,153)
Health Allocation Adjustments (HAA)	—	—	—	1,427	—	1,427	—	780	—	2,207
Total—Activity and Funding	—	103,979	—	3,736	—	107,715	—	731	—	108,445
Less Income	—	(12,117)	—	—	—	(12,117)	—	(382)	—	(12,499)
Net—Activity and Funding	—	91,862	—	3,735	—	95,597	—	349	—	95,946

NMHS—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	152,166	851,671,070	364,449,886	41.4	487,221,184
Admitted Mental Health	5,597	25,804	144,426,874	59,145,455	41.4	85,281,419
Sub-Acute	5,597	7,855	43,964,065	32,293,782	41.4	11,670,284
Emergency Department	5,597	25,075	140,347,484	59,684,348	41.4	80,663,136
Non Admitted	5,597	32,593	182,420,649	75,787,244	41.4	106,633,405
Total ABF	5,597	243,493	1,362,830,142	591,360,715	41.4	771,469,427
Non-ABF Service group			(\$)	(\$)	(%)	(\$)
Non Admitted Mental Health			95,563,625	31,748,343	33.2	63,815,282
Non Admitted CAMHS			1,419,245	223,475	15.7	1,195,769
Non Admitted Home Ventilation			—	—	—	—
Rural CSO sites			—	—	—	—
Teaching, Training and Research			93,300,462	36,435,564	39.1	56,864,898
Total Block Funding			190,283,332	68,407,383	36.0	121,875,949

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.