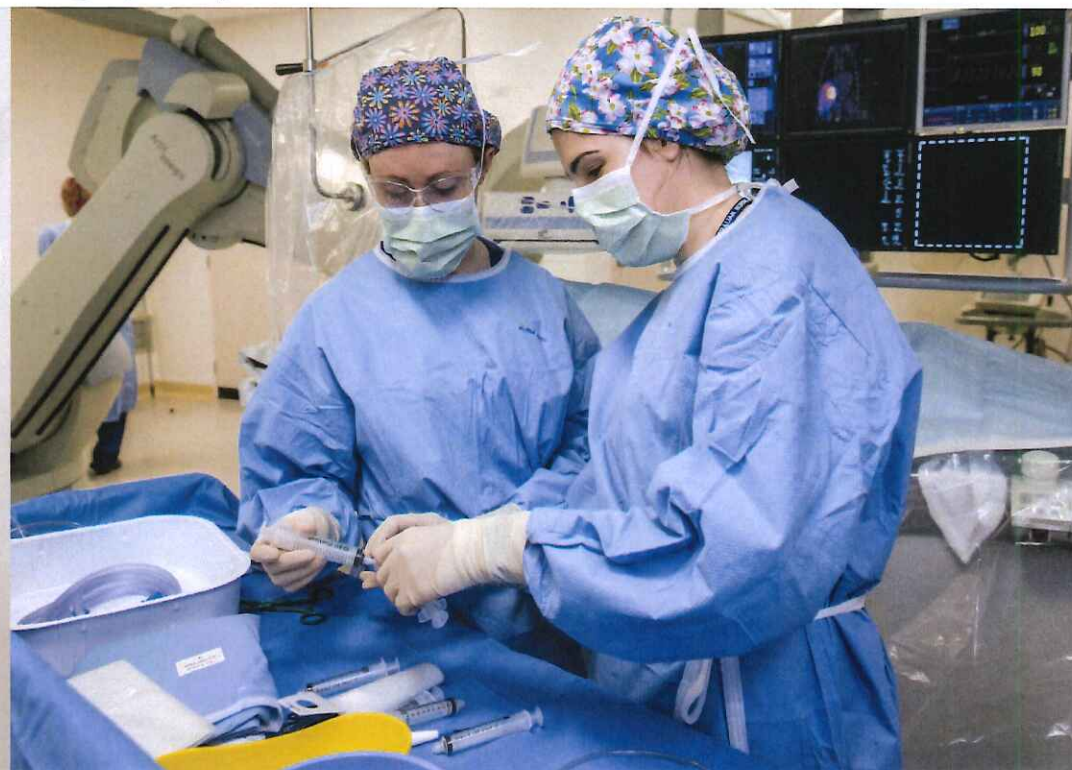




Government of Western Australia
Department of Health

North Metropolitan Health Service Service Agreement 2016-17 Deed of Amendment February 2017

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Contents

Parties	3	Schedule K: Capital Works Program	21
1. Background	4	ANNEXURE 12	27
2. Definition and interpretation	4	Schedule M: Revenue Plan	27
3. Terms of Amendment	4	ANNEXURE 13	31
4. Amendments to Service Agreement	5	Schedule N: Notional HSS Budget Allocation	31
ANNEXURE 1	9	ANNEXURE 14	32
Summary of Activity and Funding	9	Schedule P: Inpatient, Emergency Department and Non-admitted ABF Activity and Funding	32
ANNEXURE 2	10	ANNEXURE 15	33
Schedule A: Inpatient ABF Activity and Funding^	10	Schedule P1: Inpatient, Emergency Department and Non-admitted SPL and TPL	33
ANNEXURE 3	11	ANNEXURE 16	34
Schedule B: Emergency Department ABF Activity and Funding^	11	Schedule Q: Mental Health Commission Activity and Funding	34
ANNEXURE 4	12	ANNEXURE 17	35
Schedule C: Non-admitted Patient-level ABF Activity and Funding^ ..	12	Schedule J: Cash Budget – PathWest	35
ANNEXURE 5	13	ANNEXURE 18	36
Schedule C1: Non-admitted Aggregate ABF Activity and Funding^ ..	13	Schedule M: Revenue Plan – PathWest	36
ANNEXURE 6	14	ANNEXURE 19	38
Schedule C2: Paediatric ABF Activity and Funding^	14	Schedule N: Notional HSS Budget Allocation – PathWest	38
ANNEXURE 7	15	ANNEXURE 20	39
Schedule E: Public Health and Ambulatory Care Program Funding ..	15	Schedule J: Cash Budget – Dental Health Services	39
ANNEXURE 8	16	ANNEXURE 21	40
Schedule G: Special Purpose Funding	16	Schedule M: Revenue Plan – Dental Health Service	40
ANNEXURE 9	19	ANNEXURE 22	42
Schedule I: Financial Products	19	Schedule N: Notional HSS Budget Allocation - Dental Health Service	42
ANNEXURE 10	20		
Schedule J: Cash Budget	20		
ANNEXURE 11	21		

ANNEXURE 23.....	43	ANNEXURE 26	52
OBM—Summary of Activity and Funding.....	43	Appendix C: Non-admitted Patient-level ABF Activity by Tier2	52
ANNEXURE 24.....	46	ANNEXURE 27	56
Appendix A: Inpatient ABF Activity by Extended Service Related Groups (ESRG)	46	Appendix C1: Non-admitted Aggregate ABF Activity by Tier2.....	56
ANNEXURE 25.....	51	ANNEXURE 28	57
Appendix B: Emergency Department ABF Activity by Urgency Related Groups (URG)	51	Appendix C2: Inpatient Paediatric ABF Activity by ESRG.....	57

This Deed is made on 13 February 2017.

Parties

North Metropolitan Health Service of Queen Elizabeth II
Medical Centre, Verdun Street, Perth, WA 6000
(**NMHS**)

Department CEO, Dr David J Russell-Weisz Director General,
Department of Health of 189 Royal Street East Perth, WA
6004
(**Department CEO**)

1. Background

The WA Health System has the meaning given under Section 19(1) of the Act. The Department CEO is recognised as the System Manager of the WA Health System under Section 19(2) of the Act.

On 1 July 2016, pursuant to Section 46 of the Act the Parties entered into the Service Agreement. Section 46(4) of the Act provides that the Service Agreement is binding on the Parties.

Section 50 of the Act stipulates that a Party that wants to amend the terms of the agreed Service Agreement must provide written notice of the proposed amendment to the other Party. A term decided under this Section by the Department CEO must be included in the Service Agreement. The Parties agree that the Service Agreement is amended in the manner specified in Section 50 of the Act.

2. Definition and interpretation

“Act” means the *Health Services Act 2016*.

“Deed” means this deed of amendment.

“Parties” means the parties to the Service Agreement and to the Deed.

“Party” means any one of the parties to the Service Agreement and to the Deed.

“Service Agreement” means the North Metropolitan Health Service Service Agreement 2016-17 between the Parties and as amended from time to time including all schedules and annexures.

3. Terms of Amendment

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, the Service Agreement will continue in full force and effect in accordance with its terms.

Each Party will bear its own legal costs and other expenses in connection with this Deed.

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 together with the Service Agreement constitutes the entire agreement between the Parties and supersedes all communications, negotiations, arrangements and agreements, whether oral or written, between the Parties with respect to the subject matter of this Deed.

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

4. Amendments to Service Agreement

With effect from the date of this Deed the Parties agree that the Service Agreement is varied so that:

- (a) Section 3 is amended to insert the following paragraph after the existing first paragraph and before the existing second paragraph:

“Pursuant to Section 46(3) of the *Health Services Act 2016* the Service Agreement includes the health services to be provided by Health Service Providers that are within the overall expense limit set by the Department CEO in accordance with the State Government’s purchasing intentions”.

- (b) Section 3 is amended to insert the following paragraph after the existing sixth paragraph and before the existing seventh paragraph:

“NMHS may agree with any Health Service Provider for that Health Service Provider to provide services to NMHS according to NMHS’ business needs. NMHS remains responsible for ensuring that it meets the performance measures and operational targets for the provision of the services”.

- (c) The existing Summary of Activity and Funding table at page 13 of the Service Agreement is amended. This amendment is attached hereunto and marked as Annexure 1.

- (d) The existing Schedule A: Inpatient ABF Activity and Funding table at page 14 of the Service Agreement is amended. This amendment is attached hereto and marked as Annexure 2.
- (e) The existing Schedule B: Emergency Department ABF Activity and Funding table at page 15 of the Service Agreement is amended. This amendment is attached hereto and marked as Annexure 3.
- (f) The existing Schedule C: Non-admitted Patient-level ABF Activity and Funding table at page 16 of the Service Agreement is amended. This amendment is attached hereto and marked as Annexure 4.
- (g) The existing Schedule C1: Non-admitted Aggregate ABF Activity and Funding table at page 17 of the Service Agreement is amended. This amendment is attached hereto and marked as Annexure 5.
- (h) The existing Schedule C2: Paediatric ABF Activity and Funding table at page 18 of the Service Agreement is amended. This amendment is attached hereto and marked as Annexure 6.
- (i) The existing Schedule E: Public Health and Ambulatory Care Program Funding table at page 19 of the Service Agreement is amended. This amendment is attached hereto and marked as Annexure 7.

- (j) The existing Schedule G: Special Purpose Funding table at page 21 of the Service Agreement is amended. This amendment is attached hereunto and marked as Annexure 8.
- (k) The existing Schedule I: Financial Products table at page 24 of the Service Agreement amended. This amendment is attached hereunto and marked as Annexure 9.
- (l) The existing Schedule J: Cash Budget table at page 25 of the Service Agreement is amended. This amendment is attached hereunto and marked as Annexure 10.
- (m) The existing Schedule K: Capital Works Program table at page 26 of the Service Agreement is amended. This amendment is attached hereunto and marked as Annexure 11.
- (n) The existing Schedule M: Revenue Plan table at page 31 of the Service Agreement amended. This amendment is attached hereunto and marked as Annexure 12.
- (o) The existing Schedule N: Notional HSS Budget Allocation table at page 35 of the Service Agreement is amended. This amendment is attached hereunto and marked as Annexure 13.
- (p) The existing Schedule P: Inpatient, Emergency Department and Non-admitted ABF Activity and Funding table at page 36 of the Service Agreement is amended. This amendment is attached hereto and marked as Annexure 14.
- (q) The existing Schedule P1: Inpatient ABF Activity and Funding table at page 37 of the Service Agreement is amended. This amendment is attached hereto and marked as Annexure 15.
- (r) The existing Schedule Q: Mental Health Commission Activity and Funding table at page 38 of the Service Agreement is amended. This amendment is attached hereto and marked as Annexure 16.
- (s) The existing Schedule J: Cash Budget – PathWest table at page 42 of the Service Agreement is amended. This amendment is attached hereto and marked as Annexure 17.
- (t) The existing Schedule M: Revenue Plan – PathWest table at page 43 of the Service Agreement is amended. This amendment is attached hereto and marked as Annexure 18.
- (u) The existing Schedule N: Notional HSS Budget Allocation – PathWest table at page 45 of the Service Agreement is amended. This amendment is attached hereto and marked as Annexure 19.
- (v) The existing Schedule J: Cash Budget – Dental Health Service table at page 47 of the Service Agreement is amended. This amendment is attached hereto and marked as Annexure 20.

- (w) The existing Dental Health Service Schedule M: Revenue Plan – Dental Health Service table at page 48 of the Service Agreement is amended. This amendment is attached hereto and marked as Annexure 21.
- (x) The existing Dental Health Service Schedule N: Notional HSS Budget Allocation – Dental Health Service table at page 50 of the Service Agreement is amended. This amendment is attached hereto and marked as Annexure 22.
- (y) The existing OBM-Summary of Activity and Funding table at page 52 of the Service Agreement is amended. This amendment is attached hereto and marked as Annexure 23.
- (z) The existing Appendix A: Inpatient ABF Activity by Extended Service Related Groups (ESRG) table at page 58 of the Service Agreement is amended. This amendment is attached hereto and marked as Annexure 24.
- (aa) The existing Appendix B: Emergency Department ABF Activity by Urgency Related Groups (URG) table at page 63 of the Service Agreement is amended. This amendment is attached hereto and marked as Annexure 25.
- (bb) The existing Appendix C: Non-admitted Patient-level ABF Activity by Tier2 table at page 64 of the Service Agreement is amended. This amendment is attached hereto and marked as Annexure 26.
- (cc) The existing Appendix C1: Non-admitted Aggregate ABF Activity by Tier2 table at page 69 of the Service Agreement is amended. This amendment is attached hereto and marked as Annexure 27.
- (dd) The existing Appendix C2: Inpatient Paediatric ABF Activity by ESRG table at page 70 of the Service Agreement is amended. This amendment is attached hereto and marked as Annexure 28.

Execution

Executed as a Deed in Western Australia.

Parties to the Agreement:

Department CEO


Dr David J Russell-Weisz
Director General
Department of Health

Date:  Signed: 10/3/17

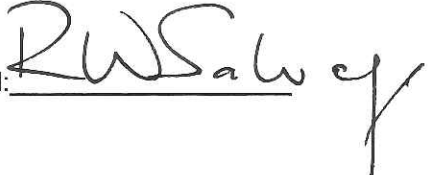
The Common Seal of the
North Metropolitan Health Service
was hereunto affixed in the presence of:)
)
)



Professor Bryant Stokes
Board Chair
North Metropolitan Health Service

Date: 7.3.2017 Signed: 

Mr Wayne Salvage
Chief Executive
North Metropolitan Health Service

Date: 7.3.2017 Signed: 

ANNEXURE 1

Summary of Activity and Funding

	2016-17 Budget		Forward Estimates					
	WAUs (#)	Budget (\$m)	2017-18		2018-19		2019-20	
			WAUs (#)	Budget (\$m)	WAUs (#)	Budget (\$m)	WAUs (#)	Budget (\$m)
North Metropolitan Health Service	263,877	1,966,664,970	267,479	1,919,831,348	272,324	1,974,623,901	277,463	2,029,350,640
ACTIVITY BASED SERVICES	238,270	1,354,579,117	242,168	1,389,293,481	247,211	1,434,718,915	252,569	1,479,515,338
Schedule A—Inpatient ABF Activity and Funding	174,465	991,707,938	176,529	1,012,542,506	179,524	1,041,726,680	182,733	1,070,308,060
Schedule B—Emergency Department ABF Activity and Funding	25,810	145,985,480	26,877	153,504,671	28,113	162,555,847	29,410	171,857,546
Schedule C1—Non-admitted Aggregate ABF Activity and Funding	3,455	19,767,537	3,545	20,460,212	3,641	21,241,193	3,735	21,958,487
Schedule C—Non-admitted ABF Activity and Funding	34,541	197,118,162	35,218	202,786,092	35,933	209,195,194	36,691	215,391,245
NON ACTIVITY BASED SERVICES	—	321,741,707	—	240,945,783	—	249,561,925	—	257,533,842
Schedule D2—Small Rural Hospitals	—	—	—	—	—	—	—	—
Schedule E—Public Health Program Funding	—	21,887,764	—	21,712,625	—	22,255,440	—	22,923,104
Schedule F—Teaching Training and Research	—	77,681,940	—	80,562,816	—	83,954,546	—	87,557,658
Schedule G—Special Purpose Program Funding	—	222,172,003	—	138,670,342	—	143,351,939	—	147,053,080
FINANCIAL PRODUCTS	—	56,090,669	—	55,558,240	—	54,082,362	—	52,777,318
Schedule I—Financial Products	—	56,090,669	—	55,558,240	—	54,082,362	—	52,777,318
MENTAL HEALTH	25,607	234,253,476	25,311	234,033,844	25,113	236,260,699	24,894	239,524,142
Schedule Q—Mental Health Funding (MHC funds only)	25,607	234,253,476	25,311	234,033,844	25,113	236,260,699	24,894	239,524,142
PathWest		306,932,844		312,391,379		325,433,409		333,190,946
Dental Health Service		97,182,287		86,011,153		86,292,550		87,766,413
Other Adjustments								
North Metropolitan Health Service	—	2,180,346	—	—	—	—	—	—
Expense Transfer	—	2,180,346	—	—	—	—	—	—
Total Approved Expense Limit	263,877	1,968,845,316	267,479	1,919,831,348	272,324	1,974,623,901	277,463	2,029,350,640

Note:

1 Expense Transfers and Carry-overs are not considered permanent transfers of budget, but rather approved one-off transfers of expense. These items combined with the approved allocated budget form the Total Approved Expense Limit.

10. Service Activity Schedule

Commonwealth Specific Purpose Payment Activity and Funding

ABF Service Group	National Efficient Price (NEP\$) (as set by IHPA)	Total expected NWAU(#) (modified for IHPA adjustments)	Commonwealth	
			Funding Rate (%)	Contribution (\$)
Total Activity Funded	4,883	240,931	42.4%	498,886,848
Acute Admitted	4,883	148,333	42.5%	308,190,288
Admitted Mental Health <i>(Includes MHC)</i>	4,883	15,525	34.0%	25,794,707
Sub-Acute <i>(Includes MHC)</i>	4,883	19,023	38.6%	35,812,071
Emergency Department	4,883	24,259	42.2%	49,936,399
Non Admitted	4,883	33,791	48.0%	79,153,383

Non-ABF Service Group	Total Contribution (\$)	Commonwealth		State Contribution (\$)
		Contribution (\$)	Funding Rate (%)	
Total Block Funding	161,097,708	53,930,718	33.5%	107,166,990
Non Admitted Mental Health	74,134,281	21,064,142	28.4%	53,070,139
Other 'In Scope' Program Services	—	—	—	—
Rural CSO sites	—	—	—	—
Teaching, Training and Research <i>(Includes MHC)</i>	86,963,427	32,866,576	37.8%	54,096,851

Note:

This schedule relates to Commonwealth in-scope activity only and is a subset of the Summary of Activity and Funding Schedule.