

# **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 2016 – 30 June 2017

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## BACKGROUND

- A. On 1 July 2016, pursuant to section 46 of the *Health Services Act 2016* (the Act) the Parties entered into a Service Agreement. Section 46(4) of the Act provides that the Service Agreement is binding on the Parties.
- B. The Service Agreement 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 2016-17 financial year.
- C. The State Mid-Year Review handed down on 20 December 2016 changed the funding set out in Service Agreement and an amendment to these was executed through a Mid-year Review Deed of Amendment.
- D. Since the State Mid-year Review and up to 30 June 2017 changes to the funding set out in the Mid-year Review Deed of Amendment have occurred and an amendment to these is required.
- E. 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.

## DEFINED TERMS

In this EOY Final Allocations:

1. **EOY** means End-of-year and refers to the 2016-17 Financial year
2. **EOY Final Allocations** means this document
3. **MYR DOA** means the Health Service Provider Mid-Year Review Deed of Amendment 2016–17 between the Parties
4. **Parties** means the parties to the Service Agreement, the MYR DOA and to the EOY Final Allocations and “Party” means any one of them

## **1. OPERATION OF AMENDMENTS**

The Service Agreement, including amendments contained in the MYR DOA, will be read and construed subject to this EOY Final Allocations, and in all other respects the provisions of the Service Agreement are confirmed, and subject to the terms of the amendments contained in this EOY Final Allocations and the Service Agreement will continue in full force and effect in accordance with its terms.

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

## **2. ENTIRE AGREEMENT**

This EOY Final Allocations together with the Service Agreement, including amendments contained in the MYR DOA, constitutes the entire agreement between the Parties and supersedes any previous agreement between the Parties as to the subject matter of this EOY Final Allocations.

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

With effect from the date of this EOY Final Allocations the Service Agreement is varied so that:

- (a) The Section 10: Summary of Activity and Funding table at page 13 of the Service Agreement, as amended by the MYR DOA, is amended. This amendment is attached hereto and marked as Annexure 1.

## **4. PUBLICATION OF EOY FINAL ALLOCATIONS**

The Department will publish an abridged version of this EOY Final Allocations on the WA health system internet site, in accordance with Schedule D9 of the National Health Reform Agreement.

## Annexure 1

### 9: NMHS Summary of Activity and Funding

	2016-17 Executed Service Agreement		2016-17 Changes from SA to MYR DOA		2016-17 Mid-Year Review Deed of Amendment		2016-17 Changes MYR DOA to EOY Final Alloc.		2016-17 End-of-year Final Allocations	
	WAUs	\$'000	WAUs	\$'000	WAUs	\$'000	WAUs	\$'000	WAUs	\$'000
Schedule A—Inpatient ABF Activity and Funding	174,464	991,421	—	287	174,464	991,708	515	7,669	174,979	999,377
Schedule B—Emergency Department ABF Activity and Funding	25,809	145,986	—	(0)	25,809	145,985	—	—	25,809	145,985
Schedule C—Non-admitted ABF Activity and Funding	34,541	197,123	—	(4)	34,541	197,118	—	—	34,541	197,118
Schedule C1—Non-admitted Aggregate ABF Activity and Funding	3,455	19,768	—	(0)	3,455	19,768	—	—	3,455	19,768
Schedule D2—Small Rural Hospitals	—	—	—	—	—	—	—	—	—	—
Schedule E—Public Health Program Funding	—	21,339	—	549	—	21,888	—	23	—	21,911
Schedule F—Teaching Training and Research	—	77,682	—	—	—	77,682	—	—	—	77,682
Schedule G—Special Purpose Program Funding	—	140,614	—	83,738	—	224,352	—	46,119	—	270,471
Schedule I—Financial Products	—	48,398	—	7,693	—	56,091	—	(15)	—	56,075
Schedule Q—Mental Health Funding (MHC funds only)	25,607	233,853	—	400	25,607	234,253	—	—	25,607	234,253
<b>Total—North Metropolitan Health Service</b>	<b>263,876</b>	<b>1,876,183</b>	<b>—</b>	<b>92,662</b>	<b>263,876</b>	<b>1,968,845</b>	<b>515</b>	<b>53,795</b>	<b>264,391</b>	<b>2,022,641</b>
<b>Dental Health Service</b>		88,847		8,336		97,182		2,552		99,734
<b>PathWest</b>		302,633		4,300		306,933		10,830		317,763

#### Notes

- Mid-Year Review Deed of Amendment (MYR DOA) reflects adjustments endorsed by the WA State Government through the 2016-17 Mid-Year Review process as well as all other approved adjustments that have occurred since the release of the Service Agreement 2016-17.
- End-of-year (EOY) Final Allocations reflects all other approved adjustments that have occurred since the release of the MYR DOA in January 2017.

## NMHS Commonwealth Specific Purpose Payment Activity and Funding

ABF Service group	National Efficient Price (NEP \$) (as set by IHPA)	Total Expected NWAUs (#)	Commonwealth	
			Funding Rate (%)	Contribution (\$)
Acute Admitted	4,883	148,723	42.6	309,302,444
Admitted Mental Health <i>(Includes MHC)</i>	4,883	19,977	37.3	36,393,813
Sub-Acute <i>(Includes MHC)</i>	4,883	15,684	36.5	27,985,001
Emergency Department	4,883	23,601	42.1	48,501,494
Non Admitted	4,883	34,132	47.8	79,737,480
<b>ABF Total</b>	<b>4,883</b>	<b>242,117</b>	<b>42.5</b>	<b>501,920,232</b>

Non-ABF Service group	Total	Commonwealth		State
	Contribution (\$)	Contribution (\$)	Funding Rate (%)	Contribution (\$)
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
<b>Total Block Funding</b>	<b>161,097,708</b>	<b>53,930,718</b>	<b>33.5</b>	<b>107,166,990</b>

**Note:**

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