

# **Service Agreement (Abridged)**

An agreement between:  
**Department of Health Chief Executive Officer**  
and  
**North Metropolitan Health Service**  
for the period  
1 July 2019 – 30 June 2020

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## BACKGROUND

- A. This Agreement supports the delivery of safe, high quality, financially sustainable and accountable healthcare for all Western Australians, by setting out the service and performance expectations and funding arrangements for the North Metropolitan Health Service (NMHS).
- B. This Agreement details the health services that the Department CEO will purchase from the NMHS and the health services the NMHS will deliver during the 2019–20 financial year.
- C. Through the execution of this Agreement the NMHS agrees to meet the service obligations and performance requirements as detailed in this Agreement. The Department CEO agrees to provide the funding and other support services as outlined in this Agreement.
- D. This Agreement represents the partnership between the Department CEO and the NMHS, and the shared commitment to deliver on the WA Government goal of a greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.
- E. This Agreement will be executed in accordance with Part 5 of the *Health Services Act 2016*.

## DEFINED TERMS

In this Agreement:

1. **Activity Based Funding (ABF)** means the funding framework which is used to fund public health care health services delivered across Western Australia.
2. **Agreement** means this Service Agreement and any Schedules to this Agreement.
3. **Act** means the *Health Services Act 2016*.
4. **Block Funded Health Services** relates to those health services for which activity data is not yet available (e.g. non-admitted mental health; Teaching, Training and Research (TTR)).
5. **Chief Executive (CE)**, in relation to a Health Service Provider, means the person appointed as chief executive of the Health Service Provider under section 108(1) of the Act.
6. **Commission CEO** has the meaning given in section 43 of the Act.
7. **Deed of Amendment (DOA)** means an amendment made under section 50 of the Act that becomes an addendum to the original Agreement and forms the revised basis on which the original Agreement will be conducted.
8. **Department** means the Department of Health as the Department of the Public Service principally assisting the Minister in the administration of the Act.
9. **Department CEO** means the Chief Executive Officer of the Department of Health.
10. **Funding Products** means Depreciation, Borrowing Costs, Expensed Capital, Doubtful Debts and Resources Received Free of Charge (RRFOC), other than HSS RRFOC and PathWest RRFOC.
11. **Health Service** has the meaning given in section 7 of the Act.
12. **Health Service Provider (HSP)** means a Health Service Provider established by an order made under section 32(1)(b) of the Act.
13. **HSS** means the Health Support Services, a Chief Executive Governed Health Service Provider.
14. **MHC** means the Western Australian Mental Health Commission.
15. **NHRA** means National Health Reform Agreement 2011 and its Addendum.
16. **OBM** means the WA health system Outcome Based Management Framework as endorsed by the Under Treasurer.
17. **OSR** means Own Source Revenue.
18. **Parties** means the Department CEO and the Health Service Provider to which this Agreement applies and “Party” means any one of them.
19. **PathWest** means PathWest Laboratory Medicine WA, a Chief Executive-Governed Health Service Provider.
20. **PMP** means the Performance Management Policy.
21. **Performance Indicator** provides an ‘indication’ of progress towards achieving the organisation’s objectives or outputs.
22. **Policy Framework** means a policy framework issued under section 26 of the Act.
23. **Relevant Health Service Providers (HSP)** means Child and Adolescent Health Service (CAHS); East Metropolitan Health Service (EMHS); South Metropolitan Health Service (SMHS); Western Australian Country Health Service (WACHS); PathWest Laboratory Medicine WA (PathWest) and the Quadriplegic Centre.
24. **Schedule** means a schedule to this Agreement.
25. **State-wide support Health Services** means health services provided by HSS and PathWest to or on behalf of the other HSPs as described in the HSS and PathWest Service Agreements.

26. **Term** means the period of this agreement as detailed in clause 1 'Term of Agreement'.
27. **WA** means the State of Western Australia.
28. **WA health system** has the meaning given in section 19(1) of the Act.
29. **Critical Success Factors** means factors identified by the SHR Panel that are the necessary foundations to support sustainable change. They should be considered as essential components of all implementation efforts, and include: Culture and Leadership; Engagement and Partnership; Funding and investment; Governance; Metrics and transparency to drive change; and Invest in analytic / diagnostic capability.
30. **Enduring Strategies** means the framework which organises the SHR Panel's Final Report recommendations. The Panel's recommendations have been grouped or consolidated within the eight Enduring Strategies to identify the focus areas that will be fundamental to shift the health system and progress the sustainability agenda. Enduring Strategies 1-4 focus on key areas of service delivery, while Enduring Strategies 5-8 focus on the enablers to facilitate change. Each Enduring Strategy is informed by evidence and best practice, and reinforced by feedback received through the SHR's consultation with staff, stakeholders and the public.

## **1. TERM OF AGREEMENT**

In accordance with section 49 of the Act, the term of this Agreement is for the period of 1 July 2019 to 30 June 2020.

This Agreement, pursuant to section 46(3) of the Act, includes the health services to be provided by the NMHS during the Term of this Agreement that are within the overall expense limit set by the Department CEO in accordance with the State Government's purchasing intentions.

## **2. ENTIRE AGREEMENT**

This Agreement constitutes the entire agreement and understanding of the Parties and supersedes any previous agreement between the Parties as to the subject matter of this Agreement.

### **2.1 Commission Service Agreements**

The Department CEO, in accordance with section 44 of the Act, enters into a Head Agreement with the Commission CEO, establishing the purchasing framework for mental health services (including other drug and alcohol health services) by the MHC from the WA health system. The MHC, as provided for under section 45 of the Act, enters into a Commission Service Agreement for the provision of mental health and alcohol and other drug health services by the NMHS for the period of 1 July 2019 to 30 June 2020. The Commission Service Agreements must be consistent and aligned with the Head Agreement pursuant to section 44(3) of the Act.

An overview of the funding provided under the Commission Service Agreement between the MHC and the NMHS is included in Schedule 4 of this Agreement. This is to provide the NMHS with an understanding of how the funding provided by the MHC contributes to the overall expense limit detailed in this Agreement. The terms of the Commission Service Agreement do not form part of this Agreement. Any amendment to the Commission Service Agreement will be made as a result of negotiation between the MHC and the NMHS and in accordance with the Head Agreement.

### **2.2 Forward Estimates Contained in this Agreement**

In order to provide the NMHS with a framework in which to make future planning decisions, forward estimates that provide the financial position for the three years beyond the 2019–20 financial year have been included in the schedules to this Agreement. The funding estimates are based on and are consistent with the current approved budget settings for the WA health system.

The inclusion of forward estimates is in no way a representation or offer of funding by the Department CEO to the NMHS, rather they are an indication of the base for future funding years.

### **3. AMENDMENTS TO THIS AGREEMENT**

The Parties may amend this Agreement in accordance with section 50 of the Act.

An amendment made under section 50 of the Act becomes an addendum to the original Agreement and forms the revised basis on which this Agreement will be conducted.

Adjustments to the information set out in the original contents of this Agreement as detailed in the schedules, will be provided through separate documents that may be issued by the Department during the term of this Agreement.

#### **3.1 Amendment Criteria**

An amendment of this Agreement will occur when there is a change to the Department CEO's purchasing intentions.

An amendment for the purposes of this Agreement is a change to funding, to deliverables or to other requirements contained within this Agreement. Further information on the amendment process is detailed within the *WA Health Funding and Purchasing Guidelines* issued under the Purchasing and Resource Allocation Policy Framework:

[http://www.health.wa.gov.au/circularsnew/Purchasing\\_and\\_Resource\\_Allocation.cfm](http://www.health.wa.gov.au/circularsnew/Purchasing_and_Resource_Allocation.cfm)

#### **3.2 Notice of Intention to Amend**

In accordance with section 50(1) of the Act if either Party wants to amend the terms of this Agreement, notice of this intention must be provided in writing within a reasonable timeframe, before the date on which the amendment is required to take effect.

#### **3.3 Material Adjustments and Corrective Measures**

Material adjustments and corrective measures are changes to funding levels and targets that do not alter the Department CEO's purchasing intentions. Further information is detailed in the *WA Health Funding and Purchasing Guidelines*.

### **4. PUBLICATION OF AGREEMENT**

The Department will publish an abridged version of this Agreement on the WA health system internet site, in accordance with Schedule D9 of the NHRA. Any subsequent amendments to this Agreement will also be published in accordance with Schedule D9 of the NHRA.

## **5. LEGISLATIVE AND POLICY CONTEXT**

### **5.1 The Health Services Act 2016**

The Act supports the WA health system vision to deliver a safe, high quality, sustainable health system for all Western Australians including:

- to promote and protect the health status of Western Australians
- to identify and respond to opportunities to reduce inequities in health status in the WA community
- to provide access to safe, high quality, evidence-based health services
- to promote a patient-centred continuum of care in the provision of health services
- to coordinate the provision of an integrated system of health services and health policies
- to promote effectiveness, efficiency and innovation in the provision of health services and TTR and other services within the allocated resources
- to engage and support the health workforce in the planning and provision of health services and TTR and other services.

## **6. PURPOSE AND SCOPE OF THIS AGREEMENT**

### **6.1 Purpose**

The principal purpose of this Agreement is to detail the Department CEO's purchasing intentions and arrangements from the Health Service Provider including performance and accountability measures.

The Schedules to this Agreement outline the health services to be purchased and the associated funding provided by the Department CEO for the delivery of these health services. Further schedules outline Financial Products and other financial mechanisms necessary for the appropriate funding and implementation of the required health services by the Department CEO from the NMHS.

### **6.2 Scope**

The scope of this Agreement is as prescribed in section 46 of the Act:

- a) the health services to be provided to the State by the Health Service Provider
- b) the TTR in support of the health services to be provided
- c) the funding to be provided to the Health Service Provider for the provision of the health services, including the way in which the funding is to be provided
- d) the performance measures and operational targets for the provision of the health services by the Health Service Provider
- e) how the evaluation and review of results in relation to the performance measures and operational targets is to be carried out
- f) the performance data and other data to be provided by the Health Service Provider to the Department CEO, including how, and how often, the data is to be provided
- g) any other matter the Department CEO considers relevant to the provision of the health services by the Health Service Provider.

Where appropriate, reference will be made in this Agreement to Policy Frameworks issued by the Department CEO pursuant to Part 3, Division 2 of the Act.

## **7. SERVICE DELIVERY**

### **7.1 Role of System Manager**

The main role of the Department CEO under this Agreement is to provide the funding, and performance management parameters, to support the NMHS to deliver the health services in accordance with the Act.

### **7.2 Role of Health Service Provider**

The main role of the NMHS under this Agreement is to provide the health services detailed in the Schedules, as well as TTR in support of the provision of health services. The delivery of the health services must be in accordance with the performance measures and targets set by the Department CEO in accordance with section 46(3)(d), (e) and (f) of the Act.

The NMHS is responsible for providing health services at the following facilities:

- Graylands Hospital
- Joondalup Health Campus
- King Edward Memorial Hospital
- Osborne Park Hospital
- Sir Charles Gairdner Hospital

The NMHS is also responsible for providing dental health services through the Dental Health Service and managing the contract with Ramsay Health Care for the operation of the Joondalup Health Campus.

The NMHS will deliver the health services in accordance with this Agreement. This includes, but is not limited to:

- delivering the health services in a safe, timely and efficient manner using the standard of care and foresight expected of an experienced provider
- acting in accordance with the highest applicable professional ethics, principles and standards
- demonstrating a commitment to ethical practices and behaviours, and implementing these practices through appropriate training and monitoring.

When delivering the health services, the NMHS is required to comply with (among other things):

- all standards as gazetted under applicable Acts and standards endorsed by the Department CEO
- all applicable Department Policy Frameworks
- performance targets (as referred to in clause 10 of this Agreement)
- laws including those related to fire protection, industrial relations, employment, health, general safety, and taxation.

### **7.3 Accreditation and registration requirements**

The NMHS must deliver the Health Services purchased by the Department CEO in this Agreement in accordance with the Clinical Governance, Safety and Quality Policy Framework which specifies the clinical governance, safety and quality requirements that all Health Service Providers must comply with in order to ensure effective and consistent clinical care across the WA health system.

## **7.4 Notification and provision of information**

The NMHS must brief the Department CEO about all matters that the Department CEO should reasonably be made aware of. This may include, an incident involving a person receiving a service, or an issue that impacts on the delivery or sustainability of service, or the ability of the NMHS to meet its obligations under this Agreement. Certain applicable Department policies may also deal with certain matters that the Department must be made aware of, or particular information that must be provided to the Department by the NMHS.

The Department will provide the NMHS with access to all applicable Department policies and standards. The Department must brief the NMHS about matters that the NMHS should reasonably be made aware of in order to undertake the health services in accordance with the terms of this Agreement.

## **7.5 Agreements with other Health Service Providers**

For the purpose of section 48(1)(b) of the Act, the NMHS may agree with:

- (1) any HSP for that HSP to provide services for the NMHS according to the NMHS business needs.
- (2) The relevant HSPs for those HSPs to provide clinical incident investigation services including Root Cause Analysis (RCA), for the NMHS in the following circumstances:
  - a. Where the patient, who is the subject of the clinical incident investigation, has received health services from multiple HSPs and those HSPs agree that a joint review of the multi-site clinical incident is to be undertaken by more than one of the HSPs that treated the patient;
  - b. Where the patient, who is the subject of the clinical incident investigation, has received health services from multiple HSPs and those HSPs agree that a multi-site clinical incident investigation is to be undertaken by one of the HSPs that treated the patient;
  - c. Where the patient, who is the subject of the clinical incident investigation, has received health services from multiple health service providers and those HSPs agree that an independent multi-site clinical incident investigation is to be undertaken by a HSP with no involvement in the patient's care; or
  - d. Where the patient, who is the subject of the clinical incident investigation, has only received health services at the NMHS but the NMHS determines that an independent clinical incident investigation, undertaken by a HSP with no involvement in the patient's care, is necessary.

All clinical incident investigation services must be performed in accordance with the Clinical Incident Management Policy issued by the Department CEO under the Clinical Governance, Safety and Quality Policy Framework.

The terms of an agreement made pursuant to section 48(1)(b) of the Act do not limit the NMHS obligations under this Agreement, including the performance standards provided for in this Agreement.

## **7.6 Commonwealth Funded Dental Programs**

### **National Partnership Agreement on Public Dental Services for Adults**

The National Partnership Agreement on Public Dental Services for Adults (NPA) is a Commonwealth initiative which aims to improve the oral health of adults in WA who are eligible for public dental services.

The NPA runs from 1 January 2017 – 30 June 2020, however the Commonwealth will only pay for activity that is delivered up until 31 March 2020. This allows time for appropriate reporting and final payments to be received prior to the end of the financial year.

In 2019-20 the NMHS will be required to deliver a minimum of 9,830 Dental Weighted Activity Units (DWAUs) up to a maximum of 15,122 DWAUs.

The NPA funding is calculated on the basis of \$640 per DWAU delivered. In order to receive any payment, NMHS must at least achieve the specified minimum target. Additional activity above the specified minimum target and up to 15,122 DWAUs will be paid on a pro rata basis. Activity above the maximum DWAU target will not receive additional funding. No additional funding in 2019-20 is available over the maximum of \$9,686,246.

NPA funds must be used in accordance with the intent of the NPA and undertaken in accordance with the Project Plan agreed to by the Commonwealth and State Ministers for Health.

### **Child Dental Benefit Schedule**

The Child Dental Benefit Schedule (CDBS) is a Commonwealth initiative which aims to improve the oral health of eligible children in WA. The CDBS is a capped benefit entitlement for general dental services for children aged 2-17 years who meet a means test (Family Tax Benefit A). The benefit is capped at \$1,000 per child over a two year period and can be used in the public or private dental systems.

Dental Revenue from the CDBS is tied to 'recoveries revenue' for NMHS Dental Health Services. Surplus CDBS funds which exceed the recoveries revenue target must be used in accordance with the intent of the CDBS.

## **7.7 Compliance and Assurance**

The Department CEO has responsibility for overall management of the WA health system, that is, the "system manager role" (s.19 (2) of the Act).

To assist the Department CEO to fulfil this responsibility, the NMHS will provide the Department CEO with data to validate NMHS' compliance with relevant Policy Frameworks and this Agreement. Any additional data requirements will be stipulated via invocation of the relevant section of the Act by the Department CEO.

Further, the Department CEO will conduct assurance activities consistent with the Department CEO's identified strategic objectives. The Department CEO may audit, inspect or investigate the NMHS for the purpose of assessing compliance with the Act (see s.175 of the Act). The NMHS will aid this process whenever and wherever such powers are utilised by the Department CEO.

## **8. STATE-WIDE SUPPORT HEALTH SERVICES**

### **8.1 Health Support Services**

Health Support Services (HSS) provides State-wide support services to Health Service Providers. NMHS must execute a Service Level Agreement (SLA) with HSS for the provision of State-wide support services by HSS to the NMHS for the Term of this Agreement by 31 July 2019. The SLA will be developed by HSS with input from NMHS and the Department CEO.

The SLA must state:

- Description of health services
- Roles and responsibilities
- Authority and accountability
- Service standards
- Service reporting
- Value of service, including price schedules as appropriate
- Review and change processes
- Dispute resolution and escalation processes.

### **8.2 PathWest**

PathWest provides State-wide support services to Health Service Providers. NMHS must execute a SLA with PathWest for the provision of State-wide support services by PathWest to NMHS for the Term of this Agreement by 31 July 2019. The SLAs will be developed by PathWest with input from NMHS and the Department CEO.

The SLA must state:

- Description of health services
- Roles and responsibilities
- Authority and accountability
- Service standards
- Service reporting
- Value of service, including price schedules as appropriate
- Review and change processes
- Dispute resolution and escalation processes.

## **9. FUNDING AND PURCHASED ACTIVITY TO DELIVER HEALTH SERVICES**

### **9.1 Funding**

The Department CEO will fund the NMHS to meet its service delivery obligations under this Agreement in accordance with the schedules to this Agreement. A summary of the funding to be paid to the NMHS is set out in the Schedule: NMHS Summary of Activity and Funding.

The NMHS is to use the funding provided by the Department only for the delivery of health services specified under this Agreement. The funding will include direct service costs and the cost of overheads that the Department considers inherent in the delivery of the health services.

### **9.2 Election Commitments**

The funding to be provided during the Term of this Agreement also includes WA Government election commitments that will be reflected in the 2019–20 Budget.

Progress on implementation of election commitments will be requested and reviewed on a regular basis.

### **9.3 Activity**

The WA health system ABF operating model allocates funding on the basis of the number of patients and the types of treatments at a set price.

### **9.4 Delivery of Purchased Activity**

The Department and the NMHS will monitor actual activity delivered against target purchased levels, taking action as necessary to ensure delivery of purchased levels is achieved within set budget parameters specified in this Agreement.

The NMHS has a responsibility to actively monitor variances from target purchased activity levels, and will notify the Department immediately as soon as it becomes aware that activity variances to this Agreement are likely to occur.

Should the NMHS be unable to deliver the level of activity that has been funded in this Agreement, the Department has the discretion to determine whether a financial adjustment should be applied. This will follow a joint consultation process with the NMHS to understand the cause of the under-delivery and any remedial action plan.

Additional information on the funding and purchased activity detailed in this Agreement can be found in the *WA Health Funding and Purchasing Guidelines*.

## 10. SERVICE STANDARDS - THE PERFORMANCE POLICY FRAMEWORK

The performance reporting, monitoring, evaluation and management of the NMHS in relation to the terms of this Agreement is as prescribed in the Performance Policy Framework and PMP.

See: <http://www.health.wa.gov.au/circularsnew/Performance.cfm>.

### 10.1 Performance Measures and Operational Targets

The performance indicators, targets and thresholds that support the delivery of the Service Agreement operational targets are listed in the PMP. The PMP details the performance management and intervention processes as well as the performance reporting, monitoring and evaluation processes.

### 10.2 Evaluation and Review of Performance Results

The PMP is based on a responsive regulation intervention model. The model is a collaborative approach that enables accountability through agreed mechanisms that are responsive when performance issues have been identified. The performance management components of the PMP comprise:

- on-going review of Health Service Provider performance
- identifying a performance concern and determining the appropriate response and agreed timeframe to address the concern
- deciding when a performance recovery plan is required and the timeframe it is required
- determining the level of intervention when required and when the performance intervention needs to be escalated or de-escalated.

Regular performance review meetings will be held between the Department CEO and the NMHS, or representatives of either Party. The performance reports that enable the Department CEO to monitor and evaluate the NMHS performance are listed in the PMP. The performance reports are an important part of the performance review meetings. The frequency of the meetings is determined by the Department CEO, and may be increased if performance issues occur.

### 10.3 Performance Data

In accordance with section 34(2)(n) of the Act the NMHS is required to provide performance data for the monthly production of the performance reports as required by the Department CEO.

### 10.4 Link to Annual Reporting

Annual Reporting is required under the *Financial Management Act 2006*. The Key Performance Indicators (KPIs) within the Annual Report for Health Service Providers are approved by the Under Treasurer and are auditable by the Auditor General.

Efficiency KPI targets are established on a system-wide level, and published in the Government Budget Statements. The Department will determine the NMHS specific targets through a rigorous modelling process that aligns with the 2019–20 Service Agreement, and other relevant data as appropriate.

Effectiveness KPI targets are set at a Health Service Provider level by the Department. The Department will notify the NMHS on the Efficiency and Effectiveness KPI targets for Annual Reporting.

## **11. STRATEGIC CONTEXT**

This Agreement is informed by a wider strategic context related to the delivery of safe, quality, financially sustainable and accountable healthcare for all Western Australians. The delivery of health services within the following strategic context is the mutual responsibility of both Parties, whether with reference to supporting information and guidelines or mandatory policy requirements.

### **11.1 WA Health System Strategic Intent 2015-2020**

The Strategic Intent defines the WA health system vision, values and priorities. The WA health system's vision is delivering a safe, high quality, sustainable health system for all Western Australians.

The WA health system's strategic priorities are focused on a continuum of care to support and guide health care through integrated service delivery from prevention and health promotion, early intervention, primary care through to diagnosis, treatment, rehabilitation and palliation, ensuring all Western Australians receive safe, high quality and accessible health care.

### **11.2 WA Aboriginal Health and Wellbeing Framework 2015-2030**

The *WA Aboriginal Health and Wellbeing Framework 2015-2030* (the Framework) outlines a set of strategic directions to improve the health and wellbeing of Aboriginal people in WA.

Supported by the Implementation Guide, NMHS is required to progress the six strategic directions of the Framework:

1. promote good health across the life-course
2. prevention and early intervention
3. a culturally respectful and non-discriminatory health system
4. individual, family and community wellbeing
5. a strong, skilled and growing Aboriginal health workforce
6. equitable and timely access to the best quality and safe care.

### **11.3 Additional Policy Considerations**

This Agreement is informed by, but not limited to, the following frameworks, policies, guidelines and plans:

- WA Disability Health Framework 2015-2025
- Clinical Health Services Framework 2014-2024
- Purchasing and Resource Allocation Policy Framework
- Performance Policy Framework
- Outcome Based Management Policy Framework
- Clinical Governance, Safety and Quality Policy Framework
- Research Policy Framework
- Clinical Teaching and Training Policy Framework
- ICT Policy Framework
- Purchasing Intentions 2019-20.

## 11.4 Sustainable Health Review

The Sustainable Health Review has identified eight Enduring Strategies and 30 Recommendations to progress the sustainability agenda. HSPs are required to support implementation of the eight Enduring Strategies and 30 Recommendations, which should be based on detailed planning and assessment of prioritisation, sequencing, key partners, new and existing work, emerging evidence and issues, and development of specific measures to track progress and outcomes.

## 12. WA HEALTH SYSTEM OUTCOME BASED MANAGEMENT FRAMEWORK

The WA health system operates under an Outcome Based Management (OBM) Framework to ensure accountability to the WA Parliament, and is pursuant to its legislative obligation as a WA Government agency under section 61 of the *Financial Management Act 2006* and Treasurer's Instruction 904.

The OBM service categories applicable to the WA health system, as identified in the WA State Budget Papers are:

1. Public Hospital Admitted Health Services
2. Public Hospital Emergency Health Services
3. Public Hospital Non-Admitted Health Services
4. Mental Health Services
5. Aged and Continuing Care Health Services
6. Public and Community Health Services
7. Pathology Services
8. Community Dental Health Services
9. Small Rural Hospital Health Services
10. Health System Management – Policy and Corporate Health Services
11. Health Support Services.

The funding within this Agreement is allocated within the eleven OBM service categories, as reflected in the schedules.

The Department CEO is responsible, as the System Manager, to purchase health services one through to nine from Health Service Providers and detail this purchasing service delivery arrangement in the Service Agreements issued in accordance with the Act.

Further detail on the WA health system's OBM Framework can be viewed at <http://ww2.health.wa.gov.au/Our-performance>.

### **13. FUNDING INFORMATION CONTAINED IN SCHEDULES**

The funding provided to the NMHS under the terms of this Agreement is provided in the schedules to this Agreement which establish:

- the activity purchased by the Department CEO
- the funding provided for delivery of the purchased activity
- an overview of the purchased health services which is required to be provided throughout the Term of this Agreement.

## 14. SUMMARY OF SCHEDULES

A high level summary of the funding Schedules that form part of this Agreement for the NMHS is provided in Table 1 below.

**Table 1: Summary of the Schedules which form part of this Agreement**

<b>A. OBM Goals and Outcomes</b>
<b>B. Summary of Activity and Funding</b> – An overarching summary of the activity and funding purchased by the Department CEO for each OBM service category and delivered by the NMHS pursuant to the terms of this Agreement. Government Corrective Measures (GCM) and Health Allocation Adjustments (HAA) are identified separately.
<b>C. Dental Health Services Summary of Activity and Funding</b> – An overarching summary of the activity and funding purchased by the Department CEO and delivered by the Dental Health Services pursuant to the terms of this Agreement
<b>D. Commonwealth Specific Purpose Payment Activity and Funding</b> – A summary of amount of Commonwealth funding (value and proportion) for in-scope activity only and is a subset of the Summary of Activity and Funding schedule.



## A. OBM Goals and Outcomes

Government Goal	WA Health System Agency Goal	Desired Outcome	Health Services
<b>Strong Communities:</b> Safe communities and supported families.	Delivery of safe, quality, financially sustainable and accountable healthcare for all Western Australians	<b>Outcome 1:</b> Public hospital based health services that enable effective treatment and restorative health care for Western Australians	1. Public Hospital Admitted Health Services
			2. Public Hospital Emergency Health Services
			3. Public Hospital Non-Admitted Health Services
			4. Mental Health Services
		<b>Outcome 2:</b> Prevention, health promotion and aged and continuing care health services that help Western Australians to live healthy and safe lives	5. Aged and Continuing Care Health Services
			6. Public and Community Health Services
			7. Pathology Services
			8. Community Dental Health Services
			9. Small Rural Hospital Health Services
<b>Sustainable Finances:</b> Responsible financial management and better service delivery		<b>Outcome 3:</b> Strategic leadership, planning and support health services that enable a safe, high quality and sustainable WA health system.	10. Health System Management - Policy and Corporate Health Services
			11. Health Support Services

## B. NMHS Summary of Activity and Funding

OBM Service	2018-19		2019-20		2020-21		2021-22		2022-23	
	Mid-Year Review DOA		Service Agreement		Forward Estimate		Forward Estimate		Forward Estimate	
	WALs	\$'000	WALs	\$'000	WALs	\$'000	WALs	\$'000	WALs	\$'000
01 Public Hospital Admitted Services	182,236	1,229,079	173,192	1,177,932	177,103	1,202,820	181,743	1,237,936	185,871	1,273,871
02 Public Hospital Emergency Services	26,281	172,016	26,753	176,774	27,314	180,811	27,789	184,583	28,224	188,484
03 Public Hospital Non-Admitted Services	37,564	257,212	35,486	246,851	35,948	249,311	36,519	254,428	37,034	260,042
04 Mental Health Services	25,574	251,455	25,950	256,218	25,950	168,377	25,950	169,853	25,950	171,787
05 Aged and Continuing Care Services	—	18,466	—	21,945	—	17,119	0	17,274	—	16,381
06 Public and Community Health Services	—	91,440	—	94,004	—	91,858	—	88,776	—	88,711
07 Pathology Services	—	—	—	—	—	—	—	—	—	—
08 Community Dental Health Services	—	—	—	—	—	—	—	—	—	—
09 Small Rural Hospital Services	—	405	—	416	—	426	—	426	—	425
10 Health System Management - Policy and Corporate Services	—	—	—	—	—	—	—	—	—	—
11 Health Support Services	—	—	—	—	—	—	—	—	—	—
Government Corrective Measures (GCM)	—	(53,881)	—	(54,336)	—	(55,344)	—	(55,075)	—	(55,075)
Health Allocation Adjustments (HAA)	—	114,570	—	112,766	—	93,482	—	79,917	—	76,341
<b>Total</b>	<b>271,655</b>	<b>2,080,763</b>	<b>261,381</b>	<b>2,032,571</b>	<b>266,315</b>	<b>1,948,860</b>	<b>272,001</b>	<b>1,978,117</b>	<b>277,079</b>	<b>2,020,966</b>

### Notes

- For the 2019-20 Service Agreement, Government Corrective Measures (GCM) and Health Allocation Adjustments (HAA) are shown separately therefore the figures in all schedules exclude GCM and HAA. The 2018-19 Mid-year Review Deed of Amendment previously showed System Manager Initiatives; these have been reclassified to GCM and HAA to enable comparison.
- For the 2019-20 Service Agreement, the figures in all schedules would normally include an allocation (apportioned across OBM service categories) for Financial Products, HSS- Resources Received Free of Charge (RRFOC) and PathWest-RRFOC and are shown separately in all schedules.

## C. Dental Health Service Summary of Activity and Funding

OBM Service	2018-19 Mid-Year Review DOA \$'000	2019-20 Service Agreement \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000	2022-23 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	—	—	—	—	—
08 Community Dental Health Services	101,394	107,451	90,338	91,211	89,164
09 Small Rural Hospital Services	—	—	—	—	—
10 Health System Management - Policy and Corporate Services	—	—	—	—	—
11 Health Support Services	—	—	—	—	—
Government Corrective Measures (GCM)	(8,028)	(5,420)	(5,235)	(6,127)	(6,127)
Health Allocation Adjustments (HAA)	110	(991)	(989)	(987)	(938)
<b>Total</b>	<b>93,475</b>	<b>101,040</b>	<b>84,114</b>	<b>84,097</b>	<b>82,099</b>

### Notes

- c. For the 2019-20 Service Agreement, Government Corrective Measures (GCM) and Health Allocation Adjustments (HAA) were shown separately therefore the figures in all schedules exclude GCM and HAA. The 2018-19 Mid-year Review Deed of Amendment previously showed System Manager Initiatives; these have been reclassified to GCM and HAA to enable comparison.
- d. For the 2019-20 Service Agreement, the figures in all schedules would normally include an allocation (apportioned across OBM service categories) for Financial Products, HSS- Resources Received Free of Charge (RRFOC) and PathWest-RRFOC and are shown separately in all schedules.

## D. 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	5,134	163,059	43.0	360,237,658
Admitted Mental Health	5,134	21,304	38.4	41,986,580
Sub-Acute	5,134	15,391	33.8	26,739,803
Emergency Department	5,134	23,703	40.6	49,428,425
Non Admitted	5,134	32,335	52.5	87,235,588
<b>ABF Total</b>	<b>5,134</b>	<b>255,792</b>	<b>43.1</b>	<b>565,628,054</b>

Non-ABF Service group	Total Contribution (\$)	Commonwealth		State Contribution (\$)
		Contribution (\$)	Funding Rate (%)	
Non Admitted Mental Health	78,293,410	23,803,315	30.4	54,490,095
Non Admitted CAMHS	1,034,396	78,294	7.6	956,102
Non Admitted Home Ventilation	0	0	0.0	0
Rural CSO sites	—	—	—	—
Teaching, Training and Research	87,018,148	33,511,027	38.5	53,507,121
<b>Total Block Funding</b>	<b>166,345,955</b>	<b>57,392,637</b>	<b>34.5</b>	<b>108,953,318</b>