

# **Service Agreement Mid-year Review Deed of Amendment (Abridged)**

An agreement between:

**Department of Health Chief Executive Officer**

And

**Child and Adolescent Health Service**

for the period

1 July 2020 – 30 June 2021

# CONTENTS

<b>BACKGROUND</b> .....	<b>3</b>
<b>DEFINED TERMS</b> .....	<b>4</b>
<b>1. OPERATION OF AMENDMENTS</b> .....	<b>5</b>
<b>2. ENTIRE AGREEMENT</b> .....	<b>5</b>
<b>3. AMENDMENTS TO SERVICE AGREEMENT</b> .....	<b>5</b>
<b>4. PUBLICATION OF DEED</b> .....	<b>6</b>
<b>7. SERVICE DELIVERY</b> .....	<b>6</b>
<b>9. FUNDING AND PURCHASED ACTIVITY TO DELIVER HEALTH SERVICES</b> <b>6</b>	
Annexure 1.....	8
B: CAHS Summary of Activity and Funding .....	8
CAHS—Commonwealth and State contributions to the National Health Funding Pool .....	9

## BACKGROUND

- A. With effect from 1 July 2020, pursuant to section 46 of the *Health Services Act 2016* (the Act) the Parties entered into a Service Agreement (Interim). Section 46(4) of the Act provides that the Service Agreement is binding on the Parties.
- B. This Service Agreement was interim in its nature to reflect the delay in the 2020-21 State budget due to the COVID-19 pandemic.
- C. The Service Agreement details the health services that the Department CEO will purchase from the Child and Adolescent Health Service (CAHS) and the health services CAHS will deliver during the 2020-21 financial year.
- D. The State Budget handed down on 8 October 2020 changed the funding set out in the Service Agreement and an amendment was executed through a Budget Deed of Amendment.
- E. The State Mid-year Review published on 14 December 2020 further changes the funding set out in the Service Agreement and Budget Deed of Amendment and a Mid-year Review amendment is therefore required to reflect these and other WA health system allocation adjustments.
- F. Section 50 of the Act stipulates that a Party that wants to amend the terms of the Service Agreement must provide written notice of the proposed amendment to the other party. This written notice was provided to CAHS on 15 January 2021.
- G. This Deed is executed in accordance with section 41 of the Act.

## DEFINED TERMS

In this Deed:

1. **Budget Deed** means the Health Service Provider Budget Deed of Amendment.
2. **Mid-year Review Deed** means the Health Service Provider Mid-year Review Deed of Amendment.

## **1. OPERATION OF AMENDMENTS**

The Service Agreement including amendments contained in the Budget Deed, 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 and the Service Agreement and Budget Deed, 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 Service Agreement, including amendments contained in the Budget Deed, 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 Service Agreement is varied so that:

- (a) The Schedule B: Summary of Activity and Funding table at page 25 of the Service Agreement, as amended by the Budget Deed, 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.

## **7. SERVICE DELIVERY**

### **7.7 Provision and distribution of COVID-19 vaccines**

From 13 February 2021, CAHS is responsible for the distribution of vaccines for COVID-19 on a state-wide basis and the provision of vaccinations for COVID-19 to persons state-wide except where the WA Country Health Service (WACHS) is the health service provider delivering these health services or where a metropolitan based health service provider is providing vaccinations for COVID-19 to persons within its health service area.

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

### **9.1 Funding**

The Department CEO will fund the CAHS 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 CAHS is set out in the Schedule B: CAHS Summary of Activity and Funding.

The CAHS 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.

Additional budget allocations for COVID-19 related costs, excluding activity-based allocations (e.g. outpatient COVID clinics), are identified separately in the Schedule D: Health Allocation Adjustments (HAA). These COVID-19 allocations are provided specifically for the purpose of meeting COVID-19 costs and the budget amounts are to be quarantined for this purpose only. Included is an allocation for costs associated with PathWest services and this amount is to only be used to pay for PathWest's COVID-19 related services.

**Parties to the Agreement:**


Executed as a Deed of Amendment in the State of Western Australia.

**Parties to the Agreement:**

**Department CEO**

Dr David J Russell-Weisz  
Director General  
Department of Health

Date: 29/3/21

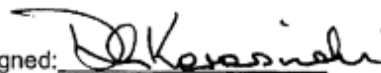
Signed: 

The Common Seal of the  
Child and Adolescent Health Service  
was hereunto affixed in the presence of: )  
)  
)



Ms Deborah Karasinski AM  
Board Chair  
Child and Adolescent Health Service

Date: 4 March 2021

Signed: 

~~Dr Anesh Anwar~~ *Simon Wood*  
Chief Executive  
Child and Adolescent Health Service

Date: 04 March 2021

Signed: 

## Annexure 1

### B: CAHS Summary of Activity and Funding

OBM Service	2019-20		2020-21		2020-21		2021-22		2022-23		2023-24	
	End-of-year Final Allocations		Budget Deed of Amendment		Mid-year Review Deed of Amendment		Forward Estimate		Forward Estimate		Forward Estimate	
	WAUs	\$'000	WAUs	\$'000	WAUs	\$'000	WAUs	\$'000	WAUs	\$'000	WAUs	\$'000
01 Public Hospital Admitted Services	46,970	353,397	49,576	373,175	49,576	373,852	49,315	368,622	50,387	374,419	51,483	381,532
02 Public Hospital Emergency Services	7,437	58,013	7,512	58,463	7,512	58,531	7,675	58,984	7,842	59,757	8,012	60,699
03 Public Hospital Non-Admitted Services	14,893	93,131	15,216	110,741	15,216	110,926	15,547	111,958	15,885	114,000	16,231	116,506
04 Mental Health Services	2,733	73,971	2,812	74,641	2,812	74,769	2,873	23,749	2,936	23,779	2,999	23,787
05 Aged and Continuing Care Services	—	1,827	—	1,160	—	1,404	—	1,175	—	1,175	—	1,174
06 Public and Community Health Services	—	146,695	—	148,908	—	146,121	—	145,025	—	143,880	—	145,022
07 Pathology Services	—	—	—	—	—	—	—	—	—	—	—	—
08 Community Dental Health Services	—	—	—	—	—	—	—	—	—	—	—	—
09 Small Rural Hospital Services	—	—	—	—	—	—	—	—	—	—	—	—
10 Health System Management - Policy and Corporate Services	—	—	—	—	—	—	—	—	—	—	—	—
11 Health Support Services	—	—	—	—	—	—	—	—	—	—	—	—
Government Corrective Measures	—	(6,511)	—	(7,285)	—	(7,285)	—	(7,111)	—	(7,114)	—	(6,961)
Health Allocation Adjustments	—	42,744	—	38,130	—	45,746	—	6,529	—	6,717	—	6,525
<b>Total—Activity and Funding</b>	<b>72,033</b>	<b>763,268</b>	<b>75,116</b>	<b>797,934</b>	<b>75,116</b>	<b>804,063</b>	<b>75,410</b>	<b>708,930</b>	<b>77,050</b>	<b>716,613</b>	<b>78,725</b>	<b>728,284</b>
Less Income	—	(255,832)	—	(272,126)	—	(275,022)	—	(226,044)	—	(228,466)	—	(240,749)
<b>Net—Activity and Funding</b>	<b>72,033</b>	<b>507,436</b>	<b>75,116</b>	<b>525,808</b>	<b>75,116</b>	<b>529,041</b>	<b>75,410</b>	<b>482,886</b>	<b>77,050</b>	<b>488,147</b>	<b>78,725</b>	<b>487,534</b>

#### Notes

- 2019-20 WAUs are presented in the 2020-21 Framework. Under the 2019-20 Framework the target is 69,112 WAUs.
- “Less income” is the estimated value of revenue from sources other than State Appropriations.



## CAHS—Commonwealth and State contributions to the National Health Funding Pool

	National Efficient Price (as per IHPA)	Total Expected NWAUs	Total Contribution	Commonwealth		State
				Contribution	Funding Rate	Contribution
<b>ABF Service group</b>	<b>(NEP \$)</b>	<b>(#)</b>	<b>(NEP \$)</b>	<b>(NEP \$)</b>	<b>(%)</b>	<b>(NEP \$)</b>
Acute Admitted	5,320	43,763	232,819,160	98,532,606	42.3	134,286,554
Admitted Mental Health	5,320	2,598	13,821,360	5,849,410	42.3	7,971,950
Sub-Acute	5,320	—	—	—	—	—
Emergency Department	5,320	6,929	36,862,280	15,600,677	42.3	21,261,603
Non Admitted	5,320	13,876	73,820,320	31,241,881	42.3	42,578,439
<b>Total ABF</b>	<b>5,320</b>	<b>67,166</b>	<b>357,323,120</b>	<b>151,224,573</b>	<b>42.3</b>	<b>206,098,547</b>
<b>Non-ABF Service group</b>			<b>(\$)</b>	<b>(\$)</b>	<b>(%)</b>	<b>(\$)</b>
Non Admitted Mental Health			829,519	260,721	31.4	568,798
Non Admitted CAMHS			47,438,088	5,040,247	10.6	42,397,841
Non Admitted Home Ventilation			11,166,360	5,024,862	45.0	6,141,498
Rural CSO sites			—	—	—	—
Teaching, Training and Research			26,831,361	10,397,245	38.8	16,434,116
<b>Total Block Funding</b>			<b>86,265,328</b>	<b>20,723,074</b>	<b>24.0</b>	<b>65,542,253</b>

**Note:**

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