

Service Agreement Deed of Amendment (Abridged)

An agreement between:

Department of Health Chief Executive Officer

And

PathWest Laboratory Medicine WA

for the period

1 July 2017 – 30 June 2018

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BACKGROUND

- A. On 1 July 2017, 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.
- B. The Service Agreement details the health services that the Department CEO will purchase from the East Metropolitan Health Service and the health services the East Metropolitan Health Service will deliver during the 2017-18 financial year.
- C. The State election in Western Australia delayed the delivery of the 2017-18 State budget. The State budget delivered in September 2017 changes the funding set out in the Service Agreement and an amendment to the Service Agreement is required.
- D. 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.
- E. This Deed is executed in accordance with section 50 of the Act.

DEFINED TERMS

In this Deed:

1. **Act** means the *Health Services Act 2016*.
2. **Deed** means this Deed of Amendment
3. **Parties** means the parties to the Service Agreement and to the Deed and “Party” means any one of them.
4. **Policy Framework** means a policy framework issued under section 26 of the Act.
5. **Service Agreement** means the East Metropolitan Health Service Service Agreement 2017–18 between the Parties and as amended from time-to-time including all schedules and annexures
6. **Schedule** means a schedule to the Service Agreement.

1. OPERATION OF AMENDMENTS

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 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 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) Reference to the “Office of the Attorney General” in clause 9.4 is deleted and replaced with the words “Office of the Auditor General”.
- (b) The existing Outcome Based Resource Allocation table at page 16 of the Service Agreement is amended to reflect changes to WA State Government goals. This amendment is attached hereto and marked as Annexure 1.
- (c) The existing schedule A: PathWest Summary of Activity and Funding table at page 17 of the Service Agreement is amended. This amendment is attached hereto and marked as Annexure 2.

4. PUBLICATION OF DEED

The Department will publish an abridged version of this Deed on the WA health system 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.

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: 2/11/17

Signed: 

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

Professor Bryant Stokes AM
Board Chair
North Metropolitan Health Service

Date: 8.11.17

Signed: 



Annexure 1

Outcome Based Resource Allocation

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

Annexure 2

A: PathWest Summary of Activity and Funding

OBM Service	2016-17 Final Position \$'000	2017-18 Service Agreement \$'000	2017-18 Deed of Amendment \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'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	315,987	327,642	327,642	341,728	345,713	350,876
7 Community Dental Health Services	—	—	—	—	—	—
8 Small Rural Hospital Services	—	—	—	—	—	—
9 Health System Management - Policy and Corporate Services	—	—	—	—	—	—
10 Health Support Services	—	—	—	—	—	—
System Manager Initiatives	1,776	(6,226)	(9,758)	(10,672)	(6,878)	(6,142)
Expense Transfer	—	—	—	—	—	—
Carry-over	—	—	—	—	—	—
Total Expense Limit	317,763	321,417	317,885	331,056	338,835	344,734

Notes

a. The figures in all schedules include an allocation for Financial Products and HSS Resources Received Free of Charge. These may be subject to change due to changes in the budget.

